



# Infighting Threatens to Split Sarajevo Defenders

By John F. Burns  
New York Times Service

**SARAJEVO, Bosnia-Herzegovina** — As Bosnia's Muslim-led legislature prepares for a bitter debate and unpredictable vote on an international peace plan, the country's leaders are struggling to head off a split within the ethnically mixed forces defending Sarajevo from Serbian nationalist troops.

Since the siege began nearly 18 months ago, the defense of the Bosnian capital has rested on an uneasy and often fractious alliance of professional military units and paramilitary groups formally known as the Bosnian Army. Added to these predominantly Muslim units is the HVO, the acronym for the nationalist Croatian troops that have been the third force in the Bosnian war.

The association between the Bosnian forces and the HVO in Sarajevo has frayed further in recent days, leading to armed confrontations. In one incident, UN troops were deployed to prevent a battle around a Croatian barracks.

After negotiations sponsored by the United Nations, Bosnian army commanders agreed on Friday to postpone for seven days an ultimatum for HVO troops to pull back from critical front-line positions along the Miljacka River in the center of the city.

But tensions remain high, and there is uncertainty whether the two sides can avoid a battle that could seriously weaken the city's defenses.

The peace plan drawn up by international mediators, which

the legislature will begin debating this week, has served to fuel the dispute.

Hard-liners within the Muslim-led Bosnian government and army have argued that since the West's support for the partitioning of Bosnia along ethnic lines seems to reward the "ethnic cleansing" campaigns of the Serbs and Croats, then the Muslims should adopt similar policies towards their Serbian and Croatian neighbors in Sarajevo.

The "Muslimization" or "Islamization" of Sarajevo has long been feared by the tens of thousands of Serbs and Croats who have remained in the Bosnian capital through the 18 months of civil war, working alongside Muslims in the hospitals, fighting with them in the trenches and sharing the privations of the siege.

For these people, most of them opposed to the breakup of Bosnia and to the ethnic cleansing campaigns that Serbian and Croatian forces have used to accomplish that goal, the international peace plan is a particularly bitter blow, since many feel that the plan leaves them with no safe place to go.

The confrontation in Sarajevo between the Bosnian forces and the HVO has been simmering for months.

From the beginning of the war the Croatian force has been the most unpredictable of the three factions contending for control of Bosnia, tending to shift alliances to where the Croatian leaders see greater advantage for Bosnia's 750,000 Croats.

When Serbian forces first swept across Bosnia with their

"ethnic cleansing" offensives, the HVO originally sided with the Bosnians and fought with them against the Serbs.

Last fall the alliance began to crumble as the Croats began "ethnic cleansing" offensives of their own to create an exclusive Croatian domain within Bosnia to match the one seized by Serbs.

But while the Bosnian Army found itself fighting on two fronts in the countryside, against Serbian and Croatian forces, it retained the backing of HVO units in Sarajevo.

That arrangement became increasingly tenuous as the fighting between Bosnian Muslim and Croatian units outside Sarajevo, particularly in the south-western city of Mostar, suddenly became the focal point of the war.

The HVO's position in Sarajevo has been thrown further in doubt by a growing concern within the Bosnian Army that the Croatian units could betray key positions to the Serbs.

### Reports of Clashes

Bosnian Croatian forces said fighting with Muslim government troops appeared to be dying down in the Bosnian city of Mostar on Sunday after a cease-fire reached with UN mediation.

UN peacekeeping officials said there was heavy Croatian-Muslim fighting in Mostar on Saturday but they were unable to say whether hostilities continued after the truce.

But a Bosnian Croatian military spokesman said Mostar was largely calm on Sunday with only sporadic "small arms provocations" continuing along front lines.



A Bosnian youth playing war games in central Sarajevo.

## Germany Is Urged to Press Iran On Mideast

By Brandon Mitchell  
International Herald Tribune

**FRANKFURT** — Germany, which usually watches Middle East politics from afar, is wrestling with growing demands that it become a more active player by using its economic influence with Iran to reinforce the peace agreement between Israel and the Palestine Liberation Organization.

"Like all wealthy nations, Germany is expected to offer economic and development aid to the two proposed semi-autonomous Palestinian enclaves in Jericho and the Gaza Strip."

"Germany could do a lot for the Arab world," said Abdullah Frangi, the PLO representative in Bonn. "Germany has helped Israel a lot since its creation and it's now obligated to balance that aid by helping the Palestinians and Israel's neighbors."

"Germany is responsible for peace in Europe and peace in Europe is impossible without peace in the Mideast," he said.

As the largest trading partner of Iran, a volatile element of the region's politics that opposes the peace accord, however, Germany bears a special responsibility to become a more active intermediary, government officials in the region say.

For years, Germany has been Iran's largest trading partner and one of its largest creditors, followed by Japan, Italy and the United States. German exports to Iran last year totaled a record 8 billion Deutsche marks (\$5 billion), up from 6.7 billion marks a year earlier. This year Germany's trade with Iran is expected to fall as much as 60 percent because the declining world price for crude oil, which accounts for 80 percent of Iran's hard currency income, has left the country in a cash crunch.

German banks, meanwhile, helped Iran immensely this spring by deferring payment on more than 1 billion marks in outstanding loans, mostly trade financing.

Some governments say Germany should take advantage of its position of strength and Iran's current economic weakness to pressure the Islamic republic into signing a peace accord with Israel, or at least discontinuing support to fundamentalists that oppose the peace accord.

"A two-month economic boycott would solve the problem," Mohamed Bassiouni, Egypt's ambassador to Israel, was quoted as saying in Stern, a German newsweekly.

Germany does not rule out participation in a boycott if it were imposed by the UN Security Council, but first intends to see what results verbal pressure brings, Bonn sources said.

Foreign Minister Klaus Kinkel, in a speech to the Bundestag, or parliament, on Thursday, said, "Those forces that stoke tensions and resort to fighting and terror to prevent the peaceful coexistence of Jews, Arabs and Christians must not be allowed to succeed." He also asked Iran to be "constructive" in its approach to Mideast peace, he said.

In another sign that Germany is serious about using its influence, Chancellor Helmut Kohl on Wednesday telephoned President Hashemi Rafsanjani of Iran to discuss personally prospects for bilateral relations and relate Germany's position on peace.

Such contacts are rare for Iran, which has been isolated from the West since the 1979 Islamic Revolution.

Officials declined to specify the content of the two exchanges, but an Economics Ministry source said Germany had told Iran, in effect, "that we have great hopes for peace in the Mideast and would like to see them cooperate." The source spoke on condition of anonymity.

Asked to comment on the contacts, a spokesman for the Iranian Embassy in Germany reiterated its hard-line position against Israel: "They occupied the territories and have to give them back."

Despite such assertions, Germany is convinced of Mr. Rafsanjani's desire to carry on with economic changes and mend Iran's ties with the West.

China's view of Iran's Islamic fundamentalist politics appears to be one of distrust.

## Q & A: For NATO, U.S. Role in Bosnia Is Crucial

**NATO expects to be asked to enforce a peace agreement in Bosnia.** Willem van Eekelen, secretary-general of the Western European Union, a NATO affiliate grouping the allied governments in Europe, talked with Joseph Fichet of the International Herald Tribune about the conditions for success in NATO's first venture into peacekeeping in Eastern Europe.

**Q.** Even though it would be acting under UN auspices, NATO conceives engagement in Bosnia as a combat situation. Unlike the current UN peacekeepers, a NATO force won't paint its tanks white or let them be searched or order its men to be passive. Does NATO run any serious risk in approaching its new mission in this spirit?

**A.** It's an enormous step and any failure would damage the credibility of NATO. It has a high reputation partly because it has never failed militarily. Of course, this action will be a matter of using force to execute an agreement, hopefully signed this week, that all three parties want, presumably. Even so, the amount of force that could be needed depends on circumstances that cannot be predicted very precisely. If there is some isolated bad behavior, it's manageable. But what, if say, the

entire Serbian community stops observing the agreement?

**NATO officials seem to be planning for the contingency of some large-scale violations. I think that they are right to insist that any intervention must be credible and effective and cannot be allowed to fail. But the question comes up: Will they get that mandate? If an agreement breaks down, some countries will want to reconsider their position, so they are not likely to endorse a whole-heap NATO approach.**

**Q.** If NATO gets a clear-cut mandate spelling out its role, what else is vital for military success? Some allies want NATO's top commander to run the operation, but France has objections to that and wants the top NATO authority to be a regional commander based in Italy.

**A.** Certainly we need to draw on the entire alliance-wide apparatus, especially real-time intelligence — something that only the United States can provide — that enables NATO officers to detect any large-scale action. And we need unity of command for the core force of allies that have learned to fight together using NATO command-and-control.

Since it will be under the UN flag, I think that as a practical matter some non-NATO countries might join — maybe Russians, although I don't think they'll come — if they were assigned an area of

their own, with the only liaison to the overall NATO command.

**Q.** Was it deliberate that you didn't mention any particular need for U.S. ground troops?

**A.** Everybody seems to be counting on 25,000 Americans and clearly we need them. No Americans, no NATO. There is political weight in this precedent of seeing NATO handle the problem. And, unless the United States is participating substantially, which means with ground forces, some allies — especially the French and the Spanish — will be reluctant to operate in a NATO system, and so the job would not get done at all.

**Q.** Do you worry that Congress might object to U.S. involvement in implementing an accord that ratifies a Serbian victory?

**A.** I sympathize with some of those objections. But under the circumstances, the Muslims will not be better off if a chance is missed now. Winter deprivation threatens to be horrendous. Without America, the whole agreement will unravel. This is all we have.

No country, including America, seems ready to do anything to change the outcome. The Muslims may have missed better deals because they were hoping for American help they were allowed to believe would come — and didn't. Now there should be no wavering on President Clin-

ton's commitment to back an accord if it met certain conditions, which seem at hand.

**Q.** Would U.S. reluctance to participate convince Europeans that Washington has abandoned a leadership role?

**A.** No one should be too hard on the United States; Americans can say they dislike the terms of the accord and they have a point in saying there are situations that are Europe's problems, not America's.

Even if Bosnia is settled, Europe will still face the long-term threat of a heavily armed Serbia and we should not lift the arms embargo until Belgrade takes steps to curb Serbian military capability. My point is that the Balkan problem, which has hurt us so badly already, is not going away. NATO is talking about being in the Balkans for two years; Europe is going to be in it for a long, long time.

That underscores the need for a new trans-Atlantic bargain on security, with Europeans learning to take the main responsibility for handling some problems they can no longer expect Americans to solve for them. That means NATO should be ready to help Europe, perhaps a WEU (force), by lending them some NATO assets in regional crisis. This concept of NATO units as "separable, but not separate" seems to interest the Clinton administration.

## Deaths of ETA Suspects Stir Unrest

**BILBAO, Spain** — A suspected Basque guerrilla, who plunged from the second-floor window of a Bilbao police station in an apparent attempt to escape, died Sunday after two days in a coma, a hospital spokeswoman said.

Xabier Galparsoro was the second suspected member of ETA, or Basque Homeland and Liberty, to die in police custody in three days. Miren Gurutzte died Friday on the way from prison to a Madrid hospital after complaining of chest pains. A postmortem found that she had suffered a heart attack.

Her death and Mr. Galparsoro's fall caused widespread disturbances in the northern Basque region and adjoining Navarre region over the weekend, with railroad lines cut and a number of cars and buses set on fire.

On Sunday, hundreds of demonstrators took to the streets of Bilbao, setting up barricades in the center of the city. There were other protests, in San Sebastian and Pamplona, with sporadic clashes reported between the police and marchers.

The government ordered an inquiry into the deaths, and Interior Minister José Luis Corcuera Cuesta will report to the parliament's Justice Committee on the situation Tuesday.

## Tehran Is Eager For Alliance With China and India

New York Times Service

**TEHRAN** — Facing political isolation and a wave of diplomatic pressure over its denunciation of the Israeli-Palestinian accord, Iran has proclaimed that it is seeking a strategic alliance with China and India.

"One of Iran's most natural partners is India, and given our situation with the United States and some Western countries, China is another suitable partner," President Hashemi Rafsanjani of Iran said in an interview published in the Hindustan Times, an Indian daily.

"We have tested their honesty," he said. "If we work together, we can have the last word on international issues."

Although Iran may emerge one day as an import market for nuclear technology and textiles from Asia, analysts said Tehran's overtures seemed to be a bargaining chip to improve its chances of normalizing relations with the West.

China's view of Iran's Islamic fundamentalist politics appears to be one of distrust.

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## WORLD BRIEFS

### UN Sanctions on UNITA Take Effect

**LUANDA, Angola (AP)** — The United Nations put into effect a ban on the sale of fuel and weapons to the UNITA rebel movement on Sunday in an attempt to force a negotiated end to the civil war in Angola. The UN sanctions had been announced by the Security Council on Sept. 15. They were imposed in an attempt to slow down the forces of Jonas Savimbi's National Union for the Total Independence of Angola, which has captured almost three-quarters of Angolan territory. "We certainly hope no stronger measures will be necessary to convince UNITA that the time has come for negotiations," said a UN official in Luanda. The UN Security Council has threatened to expel UNITA representatives from foreign capitals and freeze rebel assets if progress toward peace is not made by Nov. 1.

### Rightists Held in London's East End

**LONDON (Reuters)** — The police said Sunday that they had arrested 57 people in the East End in an effort to prevent new clashes between rightists and anti-racist demonstrators. Most of those arrested were members of the British National Party, a racist group that had been warned by the police not to distribute its newspaper in the largely immigrant district. Hundreds of policemen were on hand to prevent supporters of the National Party from confronting about 500 members of the Anti-Nazi League, Youth Against Racism in Europe and other organizations. Violent clashes on Sept. 19 between the two sides led to 27 arrests. Tension in the area has been high since the National Party won a local council seat earlier this month on a manifesto that advocated expelling immigrants.

### Conservatives Back Kohl Protégé

**BONN (Reuters)** — Conservatives rallied behind Chancellor Helmut Kohl's presidential candidate, Steffen Heitmann, on Sunday, asserting that a "repulsive" campaign was being mounted over his views on Germany's Nazi past and the role of foreigners. Mr. Heitmann has called for Germany to put aside its Nazi past and suggested that career women should raise children instead of working and voiced fears that there were too many foreigners in Germany. His views have drawn sharp attacks from his political opponents. Wolfgang Schäuble, parliamentary leader of Mr. Kohl's Christian Democrats, accused the critics of mounting a "naïve and repulsive campaign" against Mr. Heitmann, one of the candidates to replace President Richard von Weizsäcker when he steps down in May.

### Pan Am Suspects Offer to Stand Trial

**TUNIS (Reuters)** — The two Libyan agents suspected of the Lockerbie airliner bombing are willing to stand trial in Switzerland, their Libyan lawyer said Sunday. The United States and Britain in November 1991 issued arrest warrants for Basset Ali Megrahi and Lamem Khalifa Fhimah on charges of planting the bomb that blew up Pan Am Flight 103 over Lockerbie, Scotland, and killed 270 people in December 1988. The two men cannot expect a fair trial in the United States and Britain, the lawyer, Ibrahim Legweli, said, apparently raising their extradition to those countries before an Oct. 1 deadline for increased United Nations sanctions on Libya. "But there is nothing to prevent such a fair trial in Switzerland," he said in a telephone interview. He said he had informed the Swiss, British and U.S. governments.

### Indian Leader Is a First for Bolivia

**LA PAZ (Reuters)** — The Ayмара Indian intellectual and educator Victor Hugo Cárdenas became the first Indian head of government in Bolivia since the Spanish conquest when he took over as acting president on Sunday. President Gonzalo Sánchez de Lozada handed over power to Mr. Cárdenas, the country's vice president, in a simple ceremony at Santa Cruz airport in central Bolivia. Mr. Cárdenas, 41, will be acting president during a seven-day official visit by Mr. Sánchez de Lozada to Washington and New York.

### For the Record

A typhoon, designated Dot, petered out on Sunday to become a severe tropical storm, the Royal Observatory said in Hong Kong. The storm caused little damage in the British colony despite 130 kilometer (80 mile) an hour winds and drenching rains. Tamil Tiger rebels shot and killed two airmen and wounded four on Sunday after ambushing a patrol in the eastern Trincomalee district, the military said in Colombo, Sri Lanka. The air force patrol retaliated and forced the Tigers to withdraw, the military said.

## TRAVEL UPDATE

### 6 Die in Storms in Western Europe

**GRENOBLE, France (Reuters)** — Autumn storms lashed Western Europe over the weekend, killing at least six people. Rivers destroyed streets, bridges and railways in Italy, France and Switzerland. Four people were killed in northwestern Italy when the Dora Baltea River, swollen by several days of rain, burst its banks. Among the victims were a couple who drowned when their car was swept away. A torrent of water that roared through the center of the Swiss town of Sion killed a 45-year-old woman and buried streets under tons of sludge. A 65-year-old Swiss hiker was killed in a mudslide caused by pelting rain in the French Alps. His body was found by rescue workers alerted by a hotel manager in the village of Lans-le-Villard.

Pakistan will ban hunting of the rare houbara bustard next year, although special permits will be issued temporarily for a few of the Gulf Arab princes who stalk the bird in Pakistan's deserts, the Foreign Ministry said in Islamabad on Sunday. The government also banned the export of falcons.

### This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:  
MONDAY: Belgium, Ethiopia.  
TUESDAY: Taiwan.  
THURSDAY: Botswana, India, Israel, Sri Lanka, Taiwan.  
FRIDAY: Botswana, Burma, China, Cyprus, Hong Kong, Nigeria, Taiwan.  
SATURDAY: China, Guinea, India.  
Sources: J.P. Morgan, Reuters.

## 8 in 'Biosphere 2' Crew Exit Their Small World

**ORACLE, Arizona** — Four men and four women emerged Sunday from the glass dome of "Biosphere 2," where they had been sealed for two years in a project in self-sufficiency. The crew stepped through the airlock from their 3.15-acre (1.3-hectare) world, filled their lungs with fresh air and waved to a crowd of at least 2,500 reporters and well-wishers. "What an extraordinary moment," said one of the crew members, Mark Nelson, 46. "What an extraordinary world." They said it couldn't be done. But here we are — healthy, happy. The crew included a physician, Dr. Roy Walford, and ranged in age from 29 to 69. All are single. They have refused to discuss possible romances or arguments that might have taken place since they were sealed in the structure 35 miles (55 kilometers) north of Tucson on Sept. 26, 1991. There were no restrictions placed on their relationships, but they agreed that there would be no pregnancies during the project. Crew members lost an average of 13.75 percent of their body weight on a diet heavy on such items as sweet potatoes, rice, peanuts, bananas and wheat. They occasionally had an egg, chicken or goat meat and coffee. Operators of the \$150 million private, for-profit project say it achieved its main goal: keeping eight people alive in a self-contained environment for two years. But there have been a number of setbacks. Fresh air was pumped in once to counteract leaks. Pure oxygen was pumped in twice in an attempt to balance the atmosphere, which had become too rich in oxygen. And the crew managed to grow only 80 percent of its food, depending for the rest on dome-grown crops stocked in advance and on kidney beans and other items intended for seed.

# STATESIDE / PAYING FOR RETIREES

## ★ POLITICAL NOTES ★

### It's Nice to Feel Wanted, but...

WASHINGTON — After months of being dismissed as politically irrelevant, House Republicans may be close to getting their day in the sun.

The scrambled politics of health care reform and the North American Free Trade Agreement present the House minority a rare opportunity to help shape policy. Both measures will need bipartisan support for passage.

With the trade agreement, the White House is making its strongest push yet to court House Republicans.

"Things are kind of blooming now and flowering," said Howard Paster, White House director of legislative affairs, speaking of relations with House Republicans. "The candor is there. We've signaled a hundred different ways that we don't intend to be a partisan administration on things we can work together on."

But Republicans say there is widespread cynicism in their ranks about the administration's new effort, including its overtures concerning health care reform.

Representative Nancy L. Johnson of Connecticut, one of the Republican health care specialists in Congress, has met regularly with administration officials on President Bill Clinton's health care package. While she praised the "quality of the discussions," she added, "If the discussion is never going to end in 'O.K., we'll take that point of view,' that's dialogue all right, but it's a monologue when it comes to the decision-making." (NYT)

**High Praise From Australia**

CANBERRA — Prime Minister Paul Keating said Sunday that the world was lucky that Bill Clinton was president of the United States and that he would invite him to Australia when the two meet at a November trade meeting.

Mr. Keating, speaking on his return from a trip to the United States, Britain, Ireland, France and Monaco, praised Mr. Clinton's marriage of international and domestic policy.

"I think Americans have fallen on their feet with Bill Clinton," Mr. Keating said. "I think he's a young, fresh, altruistic, engaging person."

"He's the genuine article," Mr. Keating said.

**A Nominee Is Nipped Over Delay**

WASHINGTON — Stanley Tate, the Clinton administration's nominee to head the agency in charge of cleaning up failed savings and loans, has been waiting since July for a Senate vote on his nomination. He complains bitterly that the delay is prolonging management problems at the agency.

But senators are insisting that the management problems be fixed before the nomination goes forward, creating a standoff between the nominee and the committee that must confirm him.

Senator Donald W. Riegle Jr., the committee's chairman, made it clear at a hearing Thursday that he wanted allegations of mismanagement addressed in detail before approving Mr. Tate, a Republican developer from Florida, to head the Resolution Trust Corp.

"I don't intend to confirm anybody, I don't care who he is, until we have a plan here to stop what's going on," said Mr. Riegle, a Michigan Democrat. It appears that there will be no hearings on the nomination for several weeks.

Mr. Tate expressed deep concerns over the delay. His comments were especially unusual because political appointees typically show deference toward committee chairmen, who wield great power over the confirmation process.

"The posture of Senator Riegle would not be in concert with what I would think are good business processes," Mr. Tate said. "When you're sick, you don't say, 'I'm not going to go to the doctor until I find out what is wrong with me.'" (NYT)

### Quote/Unquote

Senator Robert C. Byrd, Democrat of West Virginia, urging President Bill Clinton to withdraw U.S. troops from Somalia: "Without a legitimate purpose we will be drawn further into this quagmire, with a very real prospect for the continued loss of American lives." (Reuters)

"and I think that we are very lucky that the United States is being led by someone who comprehends these big problems and tries to marry the big international responsibilities of the United States and the domestic agenda of growth and jobs." (Reuters)

### Clinton Is Sent to the Rescue of New York's Mayor

By Richard L. Berke  
New York Times Service

WASHINGTON — The White House and the national Democratic Party, increasingly worried about Mayor David Dinkins's prospects for re-election in New York, have organized a series of efforts to help his campaign, capped by a visit from President Bill Clinton on Sunday to raise a million dollars.

A presidential appearance to raise money in a mayoral race, even one as important as New York's, is unusual enough. But the White House is not stopping there — it is dispatching Vice President Al Gore and several cabinet members to the city to campaign for Mr. Dinkins and sending money to help the state party get people to the polls.

The reasons are both narrowly tactical and more broadly strategic. Although the New York mayoral race, with its many local issues, is far from a referendum on national Democratic urban policy, the Democrats are concerned that their troubles are spreading and that a Dinkins loss would only make it harder to rescue their image as the voice of the inner cities.

The Democratic Party was stumped by the election last spring of Richard J. Riordan as Los Angeles's first Republican mayor in 36 years, and party officials feared that it had sprung from a perception that the party had nothing to offer to solve inner-city problems like racism and poverty.

Democrats in Washington are even more nervous that the election of a Republican mayor in a Democratic stronghold like New York would complicate Mr. Clinton's re-election campaign in three years. "We'd rather be running '96 with a Democratic mayor than a Republican mayor," said the White House political director, Joan N. Baggett.

The efforts on behalf of Mr. Dinkins address immediate political concerns but do nothing about the broader issue of devising concrete answers to the cities' problems. Nor do they provide what he would probably find most beneficial: federal money that he has lobbied for but never received as the Clinton administration put other priorities ahead of urban aid.

Mr. Clinton's visit comes at a crucial moment for the mayor's campaign coffers as Rudolph Giuliani, the Republican-Liberal candidate, has outpaced the mayor by better than 2 to 1 in fund raising in recent weeks.

"There's a lot riding on it," said David Wilhelm, chairman of the Democratic National Committee. "We're going to do whatever we can to help win what promises to be a very close race."

Where the Democrats see danger, the Republicans see political opportunity. Because the New York campaign is so tightly contested and because there are few other elections of national interest this year, the Republican Party is also giving the race unusual attention, sending party leaders to stump for Mr. Giuliani.

White House officials said Mr. Clinton's decision to appear with Mr. Dinkins showed the depth of his commitment in the face of polls that suggest a difficult race for Mr. Dinkins. The officials said it was decided that the potential payoff to the mayor and to the party outweighed the risks of Mr. Clinton's alienating the white ethnic Democrats who do not support Mr. Dinkins, as well as the embarrassment if the mayor lost.

By contrast, only after much internal debate did Mr. Clinton appear briefly at a news conference in Los Angeles last spring with Michael Woo, the Democrat who ran against Mr. Riordan in what was officially a nonpartisan race.

One reason Mr. Clinton did not give more than a lukewarm endorsement was that some of his top advisers were friends of Mr. Riordan's. Both Mr. Clinton and several of his aides have closer ties to Mr. Dinkins.

Presidents hardly ever deliver local elections, and most New Yorkers are certain to base their votes on their views of Mr. Dinkins's performance in office, something much closer and more tangible than a visit from Washington.

But as the Dinkins campaign is struggling to keep Democrats from defecting to Mr. Giuliani, the president's support could make a difference by dramatizing the mayor's ties to the White House.

"I think the connection between a Democratic mayor and a Democratic president is a very persuasive

argument to vote for David Dinkins," said Harold M. Ickes, a New York lawyer who is a close adviser both to Mr. Clinton and to Mr. Dinkins. "The fact that the president is committed to helping the mayor sends a strong message to New Yorkers that there will continue to be a good working relationship between Washington and New York City."

On a larger scale, however, Mr. Clinton lacks the traditional ability of some past presidents to woo voters by funneling government resources to the city or some other favored constituency because of the tight budget in Washington.

## Health Plan Corollary: More May Retire Early

By Albert B. Crenshaw and Frank Swoboda  
Washington Post Service

WASHINGTON — The "downsizing" of the American industrial work force could be dramatically accelerated by President Bill Clinton's health-care plan because it proposes to shift from corporations to government the cost of health care for people who take early retirement.

That proposal would also reverse more than 15 years of federal retirement policy under which workers have been encouraged to avoid early retirement and to stay on the job after the traditional retirement age of 65.

The Clinton plan would require all companies to pay 80 percent of the cost of a minimum package of health-care benefits for their employees, and many companies now also pay a significant portion of the health-care costs of those who retire before age 65.

But they would be relieved of that cost under the Clinton plan, because if an employee takes early retirement the government would pick up 80 percent of the cost of health-care coverage.

"The way to look at this is that the government is assuming the cost of every retiree under the age of 65," said Gary Burtless, an economist with the Brookings Institution in Washington. If the plan is adopted, he said, companies would "have just been handed a big sum of money to encourage early retirement."

The administration is forecasting that health-care benefits for early retirees would cost the government \$4.5 billion to \$5 billion a year, although some benefits experts said government costs could grow sharply. Clinton advisers say they are confident they have estimated the costs correctly.

As for employers, "Reducing or eliminating retiree medical plans and moving current

and future retirees into" the new health-care system "could produce dramatic expense reductions," the consultants Towers Perrin predicted in a recent bulletin to clients.

The administration expects to impose an as-yet-unspecified, one-time charge on companies to offset any windfall for companies.

Administration officials say privately that the proposal was included to deal with what has become a major problem for employers who are pushed out of the work force but are too young to qualify for Medicare, the government's insurance plan for the elderly. At the same time, many U.S. corporations that do provide health-care benefits for their retirees find themselves at a cost disadvantage compared to international rivals.

Ira Magaziner, a top Clinton health-care adviser, told the National Association of Manufacturers earlier last week: "Our goal here is to try to end this severe social problem and put our companies on equal footing internationally."

Corporations and labor unions, for their part, are delighted with the proposal, but several executives said they thought it had been included primarily as a sweetener to big companies, and they doubted that it would become law.

Some economists worry that the proposal would accelerate another trend in the economy: the division of the labor force into two groups, higher paid and lower paid, with fewer and fewer people in the middle.

"It's pushing the country more into a bifurcation of the economy," said Richard Belous, chief economist for the National Planning Association, a labor management research group here.

Even without the health program, companies profitable and unprofitable have been shedding workers to increase productivity and profits.

## Clinton Is Sent to the Rescue of New York's Mayor

By Richard L. Berke  
New York Times Service

WASHINGTON — The White House and the national Democratic Party, increasingly worried about Mayor David Dinkins's prospects for re-election in New York, have organized a series of efforts to help his campaign, capped by a visit from President Bill Clinton on Sunday to raise a million dollars.

A presidential appearance to raise money in a mayoral race, even one as important as New York's, is unusual enough. But the White House is not stopping there — it is dispatching Vice President Al Gore and several cabinet members to the city to campaign for Mr. Dinkins and sending money to help the state party get people to the polls.

The reasons are both narrowly tactical and more broadly strategic. Although the New York mayoral race, with its many local issues, is far from a referendum on national Democratic urban policy, the Democrats are concerned that their troubles are spreading and that a Dinkins loss would only make it harder to rescue their image as the voice of the inner cities.

The Democratic Party was stumped by the election last spring of Richard J. Riordan as Los Angeles's first Republican mayor in 36 years, and party officials feared that it had sprung from a perception that the party had nothing to offer to solve inner-city problems like racism and poverty.

Democrats in Washington are even more nervous that the election of a Republican mayor in a Democratic stronghold like New York would complicate Mr. Clinton's re-election campaign in three years. "We'd rather be running '96 with a Democratic mayor than a Republican mayor," said the White House political director, Joan N. Baggett.

The efforts on behalf of Mr. Dinkins address immediate political concerns but do nothing about the broader issue of devising concrete answers to the cities' problems. Nor do they provide what he would probably find most beneficial: federal money that he has lobbied for but never received as the Clinton administration put other priorities ahead of urban aid.

Mr. Clinton's visit comes at a crucial moment for the mayor's campaign coffers as Rudolph Giuliani, the Republican-Liberal candidate, has outpaced the mayor by better than 2 to 1 in fund raising in recent weeks.

"There's a lot riding on it," said David Wilhelm, chairman of the Democratic National Committee. "We're going to do whatever we can to help win what promises to be a very close race."

Where the Democrats see danger, the Republicans see political opportunity. Because the New York campaign is so tightly contested and because there are few other elections of national interest this year, the Republican Party is also giving the race unusual attention, sending party leaders to stump for Mr. Giuliani.

White House officials said Mr. Clinton's decision to appear with Mr. Dinkins showed the depth of his commitment in the face of polls that suggest a difficult race for Mr. Dinkins. The officials said it was decided that the potential payoff to the mayor and to the party outweighed the risks of Mr. Clinton's alienating the white ethnic Democrats who do not support Mr. Dinkins, as well as the embarrassment if the mayor lost.

By contrast, only after much internal debate did Mr. Clinton appear briefly at a news conference in Los Angeles last spring with Michael Woo, the Democrat who ran against Mr. Riordan in what was officially a nonpartisan race.

One reason Mr. Clinton did not give more than a lukewarm endorsement was that some of his top advisers were friends of Mr. Riordan's. Both Mr. Clinton and several of his aides have closer ties to Mr. Dinkins.

Presidents hardly ever deliver local elections, and most New Yorkers are certain to base their votes on their views of Mr. Dinkins's performance in office, something much closer and more tangible than a visit from Washington.

But as the Dinkins campaign is struggling to keep Democrats from defecting to Mr. Giuliani, the president's support could make a difference by dramatizing the mayor's ties to the White House.

"I think the connection between a Democratic mayor and a Democratic president is a very persuasive

argument to vote for David Dinkins," said Harold M. Ickes, a New York lawyer who is a close adviser both to Mr. Clinton and to Mr. Dinkins. "The fact that the president is committed to helping the mayor sends a strong message to New Yorkers that there will continue to be a good working relationship between Washington and New York City."

On a larger scale, however, Mr. Clinton lacks the traditional ability of some past presidents to woo voters by funneling government resources to the city or some other favored constituency because of the tight budget in Washington.

### Away From Politics

● Three men opened fire on a crowd at a football game in the District of Columbia, killing a man and critically injuring a 4-year-old girl, the police said. The shooting at an elementary school was one of four within a four-hour period and within several blocks of each other. In all, three men were killed. Another girl, 12, also was wounded.

● A charge of manslaughter in the deaths of six illegal immigrants has been lodged against a man who prosecutors said owned the freighter Golden Venture, which ran aground off New York City on June 6. Six Chinese immigrants drowned after jumping off the ship. Kin Sin Lee, 24, of Guangzhou, was charged with second-degree manslaughter and criminally negligent homicide.

● A boy, 16, who claimed his father was away on a family emergency was arrested after detectives dug up the bodies of the missing man and his girlfriend outside Woodbridge, New York.

● A man who once threatened to kill George Bush has been charged with murder in Indiana. John Lance Loran, 25, had been taken into custody for carrying a weapon without a permit. He claimed to have killed a man along the Ohio River and led police to the body of a man who had been shot. A records check found that he had threatened President Bush's life in a letter in 1991. He completed one year of a five-year sentence before being released on probation.

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NO REST FOR THE SODDEN — Neighbors helping sandbag Ron Springer's rented residence near Arnold, Missouri, as heavy rain brought new flooding to several tributaries of the Mississippi River. Mr. Springer lost his own home in the flooding in July.

## AMERICAN TOPICS

### Massachusetts College Class Meets on a Commuter Train

If students are late to the new "Principles of Management" course offered by Dean Junior College of Franklin, Massachusetts, they will not only miss the class, they will miss the train.

The class is held in the last car of a 7:45 A.M. commuter train traveling from Franklin to Boston, a distance of 25 miles (40 kilometers). Tuition for the three-credit course is \$330.

One day last week, as other sleepy commuters trudged on board with their coffee, newspapers, paperbacks and radios with headphones, 11 students stepped into Car 362 with their "Contemporary Management" textbooks, pens and notebooks ready. A 12th got on at the next stop. Since the car has no blackboards, the teacher of "Principles of Management," Robert Anzenberger, set up an easel.

The students work toward degrees while traveling to their jobs in Boston. "I get out

### About People

too late at night to make the night classes," Charlene McKenney-Souza, 24, told The New York Times. "Now I can commute, take classes and still work."

John J. Haley Jr., general manager of the Massachusetts Bay Transportation Authority, said, "I would love to see someone complete a degree entirely on the MBTA system, provided that they didn't complete it on a series of long train delays."

Donald W. Pitts, 65, retires this month as a U.S. magistrate in Yosemite National Park in California. His jurisdiction was the park's 1,100 square miles (2,800 square kilometers). He tried only such misdemeanors as littering, playing radios too loud or stealing wood. Felony cases went to Fresno, 100 miles away. Judge Pitts says he has been hardest on people who feed bears. He would fine them the maximum \$70, plus a lecture. He told offenders that when bears become accustomed to campers' food, they begin to frequent campsites and become aggressive and dangerous.

Dana Allgood of Stephenville, Texas, found that she and her 4-year-old daughter were sharing her car with a snake, who had crawled onto her leg. Stopping was not easy because she had curled her legs into the seat

### Short Takes

In these days of more and more firearms, a reader asked Miss Manners, the syndicated etiquette columnist, how to ask guests politely to check their shooting irons, if any, at the door, adding that she was "most anxious to avoid acrimonious debate with those who may be heavily armed." Miss Manners (Judith Martin) replied: "The day is probably not far off when people will have to install metal detectors on their front porches. If you wish to lead the way, offer to relieve your guests of whatever sets the thing off, in the same hospitable tone in which you would ask to take their coats."

A new board game called Law School has been devised by James Charles, a Washington attorney. Players must answer a series of legal questions before "graduating" with a job offer from a big firm. The game instructions include the disclaimer, "Consult with an attorney before acting or relying on any information contained in this game."

Arthur Higbee

## Bruno Pontecorvo, a Defector to Moscow, Dies

ROME — The Italian-born nuclear scientist Bruno Pontecorvo, who defected to Moscow in 1950, has died at his home near the Russian capital.

Mr. Pontecorvo, 80, died of pneumonia in Dubna, outside Moscow, where he had operated a physics laboratory for the past 43 years, Italian newspapers and television said.

Mystery surrounded Mr. Pontecorvo's defection to Moscow. A British citizen since 1948, Mr. Pontecorvo was working at the Atomic Energy Research Establishment at Harwell, near Oxford, England, when he disappeared during a vacation in Italy in 1950.

After years of speculation, Mr. Pontecorvo surfaced in Moscow in 1955 when he said at a news conference that he had embraced the East. He insisted that he had worked only on the peaceful uses of atomic energy. He joined the Communist Party that same year.

**Sir John Moores, 97, Founder of Littlewoods**

LIVERPOOL, England (Reuters) — Sir John Moores, who founded the Littlewoods football pools and retailing empire in 1924, has died at 97.

The chief executive of Littlewoods, Barry Dale, said Mr. Moores, who lived in Formby in northern England, died in his sleep Saturday night.

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# Japan Asks U.S. to Be Patient

## Hosokawa Arrives for Talks With Clinton

**Reuters**  
**NEW YORK** — Prime Minister Morihiro Hosokawa said Sunday that he would ask President Bill Clinton when the two leaders meet Monday to give him time for his economic reforms to work.

Mr. Hosokawa's coalition of conservatives, centrists and socialists took power in August with a mandate for political change and an economic platform based on deregulation and decentralization.

But the new government immediately confronted economic problems in the form of a stalled economy, a surging yen and a bulging trade surplus.

Mr. Hosokawa said after arriving in New York that he was doing his best. "Anyway," he added, "the reforms have just begun, so I'd like him to wait and watch."

The government earlier this month announced a \$57 billion package to bolster the economy. The Bank of Japan followed last

week by easing credit, cutting its official discount rate by 75 basis points to an historic low of 1.75 percent.

The government's package focused on deregulation and passing windfall benefits of the strong yen on to consumers. Economists said that it would help prevent Japan's economy from spiraling further downward but that other fiscal measures, such as early income tax cuts, were needed.

Washington wants Tokyo to stimulate its economy to increase imports and help ease its trade surplus.

Japanese businessmen, worried about a strong yen whose surge has been largely prompted by the growing surplus, are urging early income tax cuts, but the Finance Ministry is loath to go along out of fear of falling revenues and opposition to deficit financing.

Mr. Hosokawa said he did not favor income tax cuts, and he expressed doubts about their impact. "Anyway, our fiscal situation is tight," he said, so early tax cuts "would be very difficult."

Mr. Hosokawa, in New York to address the United Nations General Assembly as well as meet Mr. Clinton, reiterated Tokyo's opposition to setting a numerical target to cut Japan's surplus in its current account, the broadest measure of trade in goods and services, as the United States has sought.

U.S. negotiators had pressed for such a target to be included in a pact outlining a new U.S.-Japanese economic agenda agreed on in July, but Japan resisted.

Mr. Hosokawa said the two leaders shared a common commitment to domestic reform.

"President Clinton is caught up in various major reforms, and I myself am caught up in various political economic and administrative reforms, and in that sense we can mutually sympathize," he said.



Sir Robin McLaren speaking in Hong Kong after talks with Chinese negotiators.

# Hong Kong Talks: 'Substantial Gap'

**Reuters**  
**BEIJING** — A substantial gap exists between China and Britain in the 12th round of talks over Hong Kong's political structure, the head of the British negotiating team said Sunday.

Ambassador Robin McLaren spoke after the first of two days of talks with the Beijing side led by the Chinese vice foreign minister, Jiang Enzhu. The round is the last before a meeting next month at the United Nations between the foreign ministers of the two countries.

"There is a substantial gap between the two sides," Mr. McLaren said, but did not give specifics of the talks.

Speaking with reporters just before the morning talks began, Mr. McLaren said the key to reaching agreement was action by the two sides. "If an agreement cannot be reached, there will be no 'through train' to speak of," he said. "That is obvious."

The "through train" refers to the continuation of Hong Kong's existing political institutions beyond 1997, the date when the British colony returns to Chinese rule.

Asked about Mr. McLaren's comment, Mr. McLaren said: "The 'through train,' and particularly the question of 'through train' criteria, is a matter of fundamental importance for the British side. If progress has to be made, progress has to be made in that area."

The talks have dragged on since April with no public sign of progress, with Beijing adamantly opposing proposals by the Hong Kong governor, Chris Patten, to carry out democratic changes.

Mr. McLaren was asked to comment on an 11-year-old speech by the paramount Chinese leader Deng Xiaoping, published in major newspapers on Friday, threatening to take over the colony before 1997 in the event of "serious disturbances."

He said the speech was full of insights for the future and set out the Chinese government's basic position on Hong Kong.

Asked to comment, Mr. McLaren said: "I was under the impression that the basic position of the Chinese government on the Hong Kong question was set out in the Joint Declaration. That is the Bible as far as we are concerned."

The Joint Declaration of December 1984 guarantees Hong Kong's way of life for 50 years after 1997.

# CAMBODIA: A United Nations Success, With Flaws

**Continued from Page 1**

the Cambodian people, and this is what saved the situation," Mr. Akashi said Sunday.

Amid increasing Khmer Rouge attacks on the peacekeeping mission, some civilians serving with it had favored calling off the elections. But Lieutenant General John Sanderson, the Australian commander of the UN military forces in Cambodia, was instrumental in holding the line, arguing that canceling the elections would betray the Cambodian people and disgrace the United Nations.

In the end, however, the Khmer Rouge stopped short of taking the action that UN sources said would almost certainly have forced a cancellation: systematic attacks against UN and international civilian election officials.

In assessing the legacy of the mission, observers point out that some of the most successful aspects of the operation were carried out by units staffed primarily by people from outside the UN bureaucracy.

The electoral component, which relied heavily on volunteers working in difficult conditions for a fraction of the pay of career bureaucrats, performed admirably. UN sources said. And Radio UNTAC, a station set up despite initial objections of the UN secretary-general, Buroos Butros Ghali, was widely hailed as a huge success, especially in spreading the concept of the secret ballot and getting out the vote.

As part of the overall UN operation in Cambodia, the UN High Commissioner for Refugees is also credited with repatriating more than 360,000 Cambodians from border camps inside Thailand. They added to the 4.7 million adults — 96 percent of the eligible population — that the UN mission registered to vote.

More difficult to measure, however, is what may turn out to be the mission's greatest legacy: the implantation of a democratic spirit in Cambodia. In place of the repressive regime that greeted it, the mission leaves behind an elected legislature and a government headed by the former opposition.

Apparatchiks of the former Vietnamese-installed government still dominate the police, military and provincial administrations, but their grip has been loosened. A free press is flourishing.

"When UNTAC arrived, there wasn't any opposition political party that could show its face in the country," a UN official said. "Now there is a feeling that things can never go back to the way they were."

Criticism of the mission has focused on its cost, the ineptitude of some of its officials and the misbehavior of several of its personnel, notably civilian policemen and certain military contingents.

Thousands of UN vehicles contributed to an image of waste. They included four-wheel-drive jeeps and trucks that never left the environs of Phnom Penh and could often be seen parked in front of restaurants, bars and brothels.

The United Nations purchased nearly \$80 million worth of vehicles of all types for its Cambodian operations, including hundreds of motorcycles and minibuses that were never used.

It also paid more than \$95 million for prefabricated buildings, many of which proved superfluous.

Although its performance has been widely praised, Radio UNTAC, which stopped broadcasting last week, has also been criticized for its \$4.4 million price tag. According to officials, excessive prices were paid for everything from tape recorders to relay stations, and the UN mission wound up with studios more sophisticated than those at the BBC in London. The studios cannot be maintained without expatriate engineers.

At the departure ceremony for Mr. Akashi, the two new Cambodian prime ministers, Prince Norodom Ranariddh and Hun Sen, turned out to see him off along with dozens of legislators and officials of the UN mission who will remain behind to wind up the operation. Contingents of UN troops paraded on the tarmac with their national flags as a Cambodian military band played marching songs.

In a tarmac speech, Mr. Akashi said his sense of satisfaction was mitigated by the loss of life during the UN mission. At least 21 of its members were killed in hostile action and 46 died of other causes.

He also expressed concern over what he described as a "continuing lack of security" in the country.

# From Press, Honorable Lumps for Japan Royalty

**By T. R. Reid**  
*Washington Post Service*  
**TOKYO** — Ever so gently, ever so cautiously, the Japanese press is beginning to criticize the royal family.

In a series of articles that press analysts describe as unprecedented, some of the nation's top magazines are sniping at Emperor Akihito and, more sharply, at his wife, Michiko.

The reports portray a milquetoast emperor who will not defend himself or his palace staff against a tough, heckling press.

The substance of the complaints so far runs from the unimportant to the downright petty: The empress lets her temper show at a news conference; the empress demands meals at 2 A.M.; the empress scolds a lady-in-waiting in front of others; the empress dictates the emperor's schedule.

It is the kind of thing that would barely raise an eyebrow in, say, Britain. But in Japan, where the press has always treated the palace with deference, these reports are stunning, both in substance and in tone.

The establishment weekly Sunday Mainichi, for example, reported that the palace staff refers to the empress by raising a fist with the little finger extended. This gesture is often used to refer to a sexually active woman — but never, ever to an empress.

Like many elements of Japanese society, the press is moving more toward Western ways. Traditionally protective of power in any form, the press has taken a more feisty stance in recent years.

A tougher, more adversarial press played an important role in the political upheaval this year that ended in the ouster of the Liberal Democratic Party's government. It was one thing when this aggressive style of reporting was aimed at the political and business worlds. But now, Japan's version of new journalism is starting to reach the Imperial Palace.

"In the past, if you wanted to say anything against the royal family, you had to couch it in criticism of the palace bureaucrats," says Keichi Sasamoto, editor of the monthly Shukan, one of the journals taking on the royal family. "Now the media will criticize the emperor and empress directly."

The press still uses a special form of language in reporting on their majesties: The word "speech" is replaced by "the honorable words" and a royal trip is described as an "honorable journey."

All last year, while Crown Prince Naruhiko was eagerly searching for a bride, the press consented to a blackout on any news concerning royal romance.

In the weeks leading up to the lavish royal wedding in June, most of the Japanese re-

porting was completely deferential toward the royal couple. Some Japanese magazines complained in angry tones that foreign journalists were not paying sufficient respect to the new crown princess, Masako Owada.

That is why it has been so surprising to see stories this summer in such mainstream newsmagazines as Sunday Mainichi, Shukan Shincho, Shukan Bunshun and Takarajima 30 that criticize the emperor and the empress.

Going even further, the weeklies are hanging big posters in the subway to advertise their daring pokes at the royal couple. Last week, subway riders were gawking at a poster advertising Shukan Bunshun.

"The Honorable Michiko Almost Blew Up Because of One Question at Press Conference!" the poster screams in large black characters.

This refers to a news conference the imperial couple held this month. Imperial press conferences are held roughly once a year, and they are generally scripted, with questions and answers prepared in advance.

This time, though, a German reporter, using perfect court Japanese, asked a question — harmless in content — that had not been agreed to ahead of time. Emperor Akihito answered. But the empress, in a soft, courteous voice, said it would be wrong for

her to answer a question without consulting her staff in advance.

Bunshun's report of this incident indicates that the empress was dumbfounded by the question and began to get angry. It goes on to suggest that she upstaged her husband by saying it would be wrong to answer, after he already had done so.

The tenor of that article is in line with other magazines' recent reporting on the imperial couple. There have been stories describing the empress as a demanding, nit-picking type who will not let her husband or the imperial staff decide anything.

Sunday Mainichi quoted a "woman close to the royal family" as saying that the emperor is nothing but a cushion that Michiko sits on. Still, the impulse to pay respect is so strong that this quotation actually came out as "He's nothing but an honorable cushion she sits on."

Princess Masako, the American-educated career woman who has been crown princess for three months, is coming off much better than her mother-in-law in the press. She is portrayed as perfect, both as a bride and as a royal representative of Japan.

But even the prince and the princess are getting less-than-respectful treatment in some quarters, including some off-color boomer humor that, surprisingly, found its way into print.

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Overdoing It in Paris

There are ups and downs in all friendships, but the French-American postwar relationship deserves some sort of award for turbulence. In the 1960s, "America" was not a good word in France. President Charles de Gaulle charted a pointedly independent course in foreign affairs, and the Vietnam War was roundly denounced from many points on the French political spectrum.

The French franc this past summer. Not economic policy or problems with Germany but an "Anglo-Saxon conspiracy" was the cause of the trouble in the currency markets, he insisted. It would all be tolerable, perhaps even amusing, but for the threat that French-American differences could cause large troubles in the world trading system. At the insistence of farmers, particularly influential with the conservative parties who back Mr. Balladur, France is trying to blow up an agreement between the United States and the European Community that is crucial to the current round of world trade negotiations.

Cure by Cavalry Charge Is Rarely a Wise Prescription

By Fareed Zakaria

NEW YORK — If the optimists are right, the three sides in the former Yugoslavia will soon sign a peace treaty, which America should support. Washington should finally lift the arms embargo such that the Bosnian Muslims can defend the borders they occupy. It should also agree to send 25,000 troops as part of a NATO peacekeeping force if Senator Sam Nunn's requirements for an exit strategy can be properly addressed.

Three cherished myths of international affairs have come under strain. Each needs to be discarded. The first is the myth of the wider war. For three years, many advocates of U.S. intervention have spoken in apocalyptic tones about the grave dangers of a broader war in Europe and beyond unless the West intervened militarily — and fast.

We live in a new world, but it is still a world of nation-states.

A great service by keeping quiet. The net effect of all the high-minded and well-intentioned calls for Western intervention is clear: less land and a poor deal for the Bosnian Muslims. The plan they now have been offered is worse than the one offered three months ago, which was worse than the one offered six months ago.

Perhaps the most influential was George Kennan, a former State Department official, who prophesied in September 1992 that there was a greater than 50 percent chance of a general European war within six months. He predicted that by the spring of 1993, Serbia's president, Slobodan Milosevic, would have conquered Bosnia, including Sarajevo, and that he would then turn upon Kosovo, which would make Albania go to war, after which Macedonia would join in, after which Greece would enter to conquer Macedonia, after which Turkey would enter to fight Greece.

spawmed by the end of the Cold War. Three times their hopes have turned sour. The world is stubborn and unyielding. If the goal of politicians is to transform it, inevitably they will be bitterly disappointed, and disappointment has traditionally led to bad American foreign policy with bad repercussions. After World War I, a sulking America shunned the world, with well-known consequences. After World War II, many in Washington bitterly blamed the Communists for cheating America out of its new world order. This drew the focus away from the sensible, robust containment policy advocated by George Kennan and Dean Acheson to an obsession with who "lost China," the Yalta sellout and a hunt for Communists at home. Today, for the interventionists, Bosnia threatens to become a new symbol of dashed hopes. They see Bosnia as the obstacle to a new world order: If we resolve the problem, we will move toward a civilized world of international law; if we don't, we are back in the old world. Alas, there is no respite for America. Whether it intervenes or not, international politics will continue as always with its mixture of peace and war, stability and instability, prosperity and poverty. Of course we live in a new world, but it is still a world of nation-states. While America has a moral imperative to spread peace, democracy and freedom across the world, it cannot transform the world's basic nature in one dramatic swoop. Neither hectoring nor ostentatious boycotting will spread democracy, prosperity and stability through incremental changes born of persistent engagement. "Peace," as Yeats reminds us, "comes dropping slow."

The writer, managing editor of the quarterly Foreign Affairs, contributed this column to The New York Times.

Don't Resume Testing

China is preparing to detonate a nuclear warhead underground, according to U.S. intelligence. That has prompted U.S. weapons labs to pressure Bill Clinton to resume nuclear testing. It would be perverse for China to test, and doubly perverse for the United States to follow suit. How will the resumption of U.S. tests help Mr. Clinton get a global ban on testing? Before the president decides whether or not to test, he has to ask himself that question.

builders in its weapons labs are as eager to stay in business as America's are. Whether the reasons, the Chinese test poses no risk to U.S. security that a U.S. test would counter. Quite the contrary, the appropriate response from Washington is not to resume testing but to get Japan and others to coax China to stop. Easing restrictions on high-tech trade if Beijing forgoes testing, or tightening them if it does not, might help.

Yeltsin: A Democrat, Like His Society, With a Long Way to Go

By Michael Dobbs

WASHINGTON — Flouting the constitution that he had sworn to defend, Boris Yeltsin announced last week that the Russian legislature had been dissolved. The transition to free markets and the rule of law is bound to be protracted and messy, but it is the only way out if Russia wants to enter the 21st century in the company of civilized, economically developed nations.

at times of political upheaval, the masses have traditionally played a pretty marginal role in Russian power struggles. The Bolsheviks succeeded in seizing power in November 1917 by mobilizing a few thousand soldiers and armed workers. (The storming of the Winter Palace, as depicted in a film by Sergei Eisenstein, was largely myth.)

bloodshed resulted, the likely result would be a wave of popular revolution. If parliamentary leaders are seen to provoke violence they are likely to be condemned by public opinion. In this sense, Mr. Yeltsin has laid a trap for his political opponents. To defeat him, they need the support of at least some military and security units. But that means inciting troops to rebel

South Africa Is Welcome

South Africa is no longer a pariah state. Two events last week signaled its return to the United Nations family. On Friday, Nelson Mandela urged the United Nations to lift economic sanctions since "the countdown to democracy in the white-ruled South African Parliament voted 107 to 36 to authorize a transition council in which blacks will share power until the first universal election next April. This is a remarkable and heartening victory for all in South Africa who have struggled for basic rights, and for their allies abroad. And it is a vindication of President F. W. de Klerk, who freed Mr. Mandela from prison and worked with him and the no longer banned African National Congress to achieve agreement on the formation of a new government.

back, fearful of being shoved offstage by the ANC and Mr. de Klerk's National Party. White entrepreneurs worry about the ANC's Marxist baggage, township violence and young black militants' expectations of instant change. All the more reason for the United States and the United Nations to move rapidly in lifting economic sanctions and mobilizing loans and investments to galvanize a lagging South African economy. Decades of deliberate neglect have left townships without electricity, running water, adequate schools and roads. A public investment fund could provide jobs and training for young blacks even as the new democratic order takes form.

A violent incident could shatter the mood of public indifference, dragging millions of ordinary Russians into the conflict.

Popular fatigue is the central fact of Russian politics, and a crucial card in Mr. Yeltsin's hand as he attempts to outmaneuver his parliamentary opponents. More than seven decades of totalitarian rule, capped by five years of political turmoil, have left the country politically numb. The voters are tired, the politicians are tired, the army is tired. Preoccupied by the daily struggle to make ends meet, most Russians are bored stiff with politics. The seemingly endless debates in parliament evoke more disgust than interest.

The most provincial politicians will likely adopt a wait-and-see strategy. The lesson they will have drawn from the last coup is that it is unwise to take sides in such situations: If the wrong side wins, you risk getting your head chopped off. The best strategy is to lie low until the outcome is clear, and then join the winning side.

The most likely prognosis in the event of a Yeltsin victory is that Russia will remain caught in a twilight zone between authoritarianism and democracy for some time.

against their present commanders, which in turn raises the terrible specter of another civil war. An attempted mutiny would give Mr. Yeltsin the excuse he needs to crack down hard. It is in his interest to keep the show-down as low-key as possible. History offers many examples of failed attempts to seize power that have led to a successful counter-coup. The Bolshevik revolution of November 1917 was made possible by a bungled night-wing push. The failure of the hard-line Communist coup attempt of August 1991 led directly to the outlawing of the Communist Party and disintegration of the Soviet Union. As long as the armed forces and executive organs of government remain loyal, Mr. Yeltsin's best strategy is to let the legislature talk itself to death.

The Sydney Difference

The award of the 2000 Summer Olympics to Sydney over Beijing sends an important message not only about human rights but also about sports. It was the right message. China's abysmal human rights record was certainly not the only factor pushing Sydney over the top. But when a vote is decided as narrowly as this one (by 45 votes for Sydney to 43 for Beijing on the fourth ballot), every factor becomes decisive. International human rights groups, with assistance from others, including Senator Bill Bradley (himself a former Olympian), rightly pushed the human rights issue to the fore, and China's leadership can be under no illusions: It has paid a large price for winning a police state. The fact that this price was paid is also a well-deserved comeuppance to IOC Chairman Juan Antonio Samaranch, who had denounced Western critics of Beijing.

gued that the vote represented a triumph of the merits over politics. China was hurt by its human rights record, but it profited from other political factors, including Australia's Western orientation. Yet there was substantial agreement among outsiders that Sydney had assembled a superb proposal. Its venues had been endorsed by the 25 international federations that govern Olympic sports. "Sydney had done the most in terms of building facilities and investing in its bid," said Harvey Schiller, executive director of the U.S. Olympic Committee. Sports hold a special place for billions of people because they represent competition among athletes striving for excellence under fair rules that have been openly agreed upon. Disputations may be able to field good teams, but they represent anything but fairness and openness. The spirit of the Olympics, and of sports generally, can breathe freely in Sydney.

Too Much of a Good Thing Is Nasty

By Richard A. Shweder

CHICAGO — Liberalism is sometimes identified with the spirit of "open-mindedness," yet the idea of an "open mind" is notoriously difficult to define. Consider Kurt Vonnegut's description, in his novel "Slaughterhouse-Five," of his education in open-mindedness four decades ago at the greatest of all American universities: "I went to the University of Chicago for a while after the Second World War. I was a student in the department of anthropology. They taught me that nobody

If you exaggerate the idea that you should be protected from harm, you have a recipe for a society of thin-skinned complainers. For every parody or personal slight ("you 'make,' you 'pig,' you 'animal,'" every act of criticism, however would be an accusation of harassment and an abuse of hate groups and anti-defamation leagues would quickly organize and keep each other in business. The members of such a society would learn to keep their mouths closed, their eyes covered and their doors shut, for fear of the consequences.

When the Soviet Union fell apart in 1991, Americans were quick to hail the birth of democracy. In many respects, however, the new Russia has much more in common with the old Russia than with countries like France or the United States. Democracy in Russia is like one of those fake villages built by Count Potemkin to impress Catherine the Great and foreign ambassadors as they toured the country. The facade seems pleasing enough to the casual observer, but there are no supporting walls and no foundations.

Superficially, everything is as it should be. There is a president, a congress and a supreme court. The principle of the division of powers is enshrined in the constitution. In the final resort, though, none of this matters very much. As last week's events have demonstrated, Russian politics still boils down to the crude Leninist formula: Who has the power over whom? Freedom of the press is a case in point. After the enforced uniformity of the Communist era, the constant hubbub of debate and the staggering range of opinions is certainly impressive. But a closer examination reveals that the press is hardly free. State-run television, the medium through which most of the population gets its news, is shamelessly pro-Yeltsin.

Every act of criticism would invite a charge of harassment.

was ridiculous or bad or disgusting." It is precisely open-mindedness of that sort that led our former colleague Allan Bloom to recommend closing the American mind. Although provocation is a virtue at the University of Chicago, Mr. Bloom's book "The Closing of the American Mind" drew most of his reviewers, and even some of his colleagues, wild. The incitement in the book was not so much his ridicule of "Woodstock" (which he likened to Nazi rallies at Nuremberg) or of rock music (which he viewed as obscene), but his complaint that the basic distinction between good and evil, culture and barbarism, had gone out of fashion on campuses. Students, he claimed, had become so open-minded that they did not make moral judgments and felt embarrassed when others did. They had become so tolerant that they had lost their sense of taste. They were so enamored of the idea that beauty, goodness and truth are in the eyes of the beholder that they had become blind to things of genuine worth.

Even provocation can become a vice if it is the only virtue in a Puritan town. There is no only in provocation if its only aim is to celebrate your freedom to humiliate others or convict them of inferiority. Provocation is an act of love, not hate. It serves the pursuits of truth and justice, and it protects from harm those who use it wisely. But, like anything else of value, it must be handled with care or abuse.

The writer, Moscow bureau chief for The Washington Post from September 1988 to August 1993, is a research scholar at the Kennan Institute. He contributed this comment to The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: What's in a Name? PARIS — A correspondent writes enthusiastically of the proposal of the Municipal Council of Paris to Russianize the names of the streets. It is understood the suggestion that the avenue du Bois de Boulogne be called "avenue de Cronstadt" is put out as a "feeler." The suggestion that the residents of a street find a change in its name as good as moving, and much cheaper, is a sound one. It is the same reasoning that leads the tenants in a New York apartment house to kick the janitor out and get a new one.

1918: The Kaiser's Visit GENEVA — The "Democrate" learns that the Kaiser, accompanied by Duke Albert of Wurttemberg and Prince Eitelwin von Schaumburg-Lippe, last week visited Alsace, stopping at the chief Rhine town, where he chiefly visited military hospitals, avoiding public ceremonies. The ob-

ject of the Kaiser's visit was to appease the unrest and fear of the populations owing to the approach to the frontier of the Allied armies, also to the constant aerial bombing, which, according to a Balle report, the Kaiser himself experienced during the last British raid on Mannheim.

1943: Bolshoi Reopens MOSCOW — [From our New York edition:] With Russian armies hourly chasing the Germans from Soviet soil, Moscow shared its most brilliant theatrical night of the war period at the reopening of the bomb-damaged Bolshoi Theater. That evening's offering was the Russian folk opera "Ivan Susanin." The jammed house was resplendent with guests and soldiers on leave from the front and some civilian leaders. Premier Marshal Josef V. Stalin and many well known figures, however, were not present. The first box on the left-hand side of the house — which Stalin usually occupied — was empty.

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# South Africa Hungry for Cash, Not Big Macs

By Bill Keller  
New York Times Service

JOHANNESBURG — Sitting in a Kentucky Fried Chicken restaurant, sipping Coca-Cola and listening to a Whitney Houston tape, Gift Neku does not seem like a man starved for Americana.

Indeed, after years of anti-apartheid sanctions — and, in a perverse way, because of them — South Africa is a country awash in American consumer goods, colonized by American pop culture and obsessed with American celebrities.

About the only important thing missing is American capital, and that is what Mr. Neku, 23, a black student, hopes will flow as a result of the plea by Nelson Mandela, leader of the African National Congress, at the United Nations on Friday for the end of sanctions against his country.

Investment, jobs and prosperity, not Big Macs, Chevys and "Sesame Street," are the bounty Mr. Mandela must deliver, black and white South Africans say, if he is to satisfy the expectations of his compatriots.

Although economists have warned that foreign investors will return only warily to a country they see as violently unpredictable, at street level hopes are running high.

"Everyone is just waiting for sanctions to be lifted," said Shabier Samrod, describing the excitement among businessmen who are clients of his burglar-alarm company. "You'll see a lot of investment. You'll find unemployment going down now."

Mr. Neku endorsed the hope, although he cautioned: "It doesn't mean things will go easily. When sanctions are lifted, these companies will still want to come and see the situation. Are they going to invest in a country where people are being killed?"

Rumored projects aside, the only imminent surge of cash is an \$850 million loan from the International Monetary Fund, which may become available by the end of the year with Mr. Mandela's blessing.

So far, most of the American companies scouting opportunities here have been bent on selling, not producing. But upon arrival they are often astounded to discover that South Africans are not lacking for things to buy.

Throughout the years of South Africa's moral isolation, about 130 American companies and numer-

ous European concerns retained subsidiaries here, and others that ostentatiously withdrew in the 1980s continued to sell their products through distributors and franchise arrangements.

South Africa has no McDonald's or Burger Kings, but there are scores of local franchises that the Americans may have trouble dislodging when they arrive.

One brazen entrepreneur recently announced plans to open his own "McDonald's" chain, golden arches and all, asserting that the company had forfeited its trademark by staying away in honor of the trade embargo.

Culturally, the Americanization of South Africa has been accelerated by a sanctions anomaly.

Although 40 percent of South African whites are of English descent, and many hold British passports, South Africa has denied most British films and television programming because the actors' union in England imposed a stringent boycott. The ban is still in place, although the United Nations dropped international sanctions on cultural exchange in December 1991.

As a result, seven of the 10 most-watched entertainment shows on South African television are American.

"We're faced with a predicament," said Johann van Rheede, a spokesman for the South African Broadcasting Corporation, contemplating the end of the English sanctions. "Our children have been weaned on American programming. Through a lot of our population is of British origins, it would be quite a radical change going to British programming."

Likewise, American films monopolize the theaters and American music fills the air, in black townships no less than in white suburbs.

South Africans, even those who feel sanctions helped bring down the apartheid system, tend to blame the absence of foreign business for the country's recession, now in its fourth year, and the unemployment rate officially reckoned at 46 percent.

## BRIDGE

By Alan Truscott  
IN the final of the Greater New York Bridge Association's Harter Cup, Robert Stayman, Bonnie Gelles, Stan Sternberg and Laura Schigall, all of Manhattan, won by 33 tricks against a group led by Ettore Bianchi of Manhattan. The diagrammed deal contributed largely to the victory.

Some players would open the South hand with five diamonds or a gambling three no-trump, but the choice was a modest one diamond. Sternberg as West bid two diamonds, showing major suits, and South arrived in five diamonds. East doubled on the strength of two probable defensive tricks, and the lead became crucial.

Looking at all four hands, it is clear that West must lead a club to guarantee three tricks for the defense. But West led the spade queen and East won with the ace. A spade was returned to the king, and South drew trumps. He should then have led a heart, with excellent chances and total certainty as the cards lie: the potential club loser in the closed hand would have been thrown on a heart winner.

Instead he made a greedy play by finessing in clubs. This would have produced a doubled overtrick if West had held the king, but as it was, Schigall as East produced the king and promptly returned a heart to score her partner's ace.

In the replay, West doubled the opening one diamond bid and North bid two clubs. East showed spades, and Stayman as South tried three no-trump, a reasonable gamble. He took ten tricks quickly when the lead of the spade queen was ducked to his king, and his team gained 13 imps when they might have lost four.

North and South were vulnerable.

The bidding:			
North	1♣	3♣	3♠
South	1♦	3♦	3♠
West	5♣	Pass	Pass
East	5♦	Pass	Pass

West led the spade queen.

## Polish Family Injured in Fire

BONN — A 5-year-old Polish girl was badly burned and her parents and three other people were injured Sunday in a fire in their high-rise apartment building in the industrial city of Ludwigshafen.

The police said investigators were including the possibility of a racist firebombing in their search for the cause of the early morning blaze in a hallway on the 13th floor of the 23-story building. Both Ger-

mans and foreigners, mainly East Europeans, live on the floor.

The police said the girl was in critical condition, with burns to 30 percent of her body and smoke poisoning. Her mother and father, both in their 20s, were also in the hospital with burned hands and feet.

Firebombings have become a trademark of neo-Nazi gangs, whose attacks in the last two years have taken the lives of at least 28 people, both foreigners and Germans.

## A Rough Start for Somali Democracy

By Keith B. Richburg  
Washington Post Service

BAIDOA, Somalia — To hear some United Nations officials boast about it, the cornerstone of a new democracy in Somalia is a bomb-damaged building here with peeling pastel paint, where a balding onetime accountant sits at a broken table in a dark, bare room with doors and window glass missing from their frames, no electricity and no telephone.

It is here, in this rubble-strewn municipal hall that long ago fell prey to war and looting, that Ibrahim Ali Bayow, 44, presides over Baidoa's newly formed district council, one of Somalia's first local governing bodies to emerge after more than two years of violent anarchy.

The United Nations plans to form more than 90 such councils around the country in a bold experiment in grass-roots democracy. It hopes that the councils will fill the void left by the collapse of the central government in Mogadishu and, eventually, allow UN forces to withdraw from Somalia.

While more than 15,000 U.S.-led UN troops in Mogadishu are caught in a hit-and-run battle with the militia forces of the Somali militia leader Mohammed Farrah Aidid — raising questions worldwide about the efficacy of U.S. military strategy in the capital — here in Baidoa the question is whether the long-term UN political plan for building a future Somali government is realistic.

If the Baidoa district council is the first marker on that long road back to political normalcy for the country, the results so far appear mixed.

Mr. Bayow complained that the 21-member council he leads has been given no money and has received none of the promised support from the United Nations.

"We don't have enough office space," he said in an interview, as the other council members around the broken table nodded in agreement. "We have no communications. No vehicles. This office has no windows, no doors at all."

"Nobody gets paid," he added. "We are waiting for something from UNO-SOM," he said, using the acronym for the United Nations Operation in Somalia.

Mr. Bayow and the council's travails seem to summarize the problems that the United Nations is finding in trying to fulfill its mandate to rebuild this war-damaged country. Simply put, big ideas so far have not been followed by badly needed cash.

Baidoa today can be counted as something of a Somali success story, if only because the relative peace and the signs of economic rebirth stand in such sharp contrast to the continuing chaos in Mogadishu.

While more than 50 UN and U.S. troops in the capital have been killed in the last three and a half months, the French troops ride around town freely in open jeeps and do not even bother to put on helmets.

This was the town hardest hit by the famine last year. More than anything else, the sight of mass death and suffering in Baidoa prompted a huge international relief effort and eventually led President George Bush to send more than 25,000 Marines to retake the country's supply routes from looters.

Six primary schools are open in Baidoa, compared with nine before the war. There is no more large-scale feeding, and the "kitchens" that were once clogged with thousands of the dead and dying have closed.

Observers point out that these are not UN successes. The famine, which had already shown signs of abating when U.S. Marines arrived in December, was over by the time the United Nations took control of Somali operations on May 4. The schools were opened by the relief group Irish Concern.

And the improved food situation has been helped by a relatively good harvest in the villages south and southwest of here, giving at least some farmers a small surplus.

In Baidoa, there is also concern that the United Nations, under attack from General Aidid in Mogadishu and facing mounting criticism over its tactics there, has been rushing to create a tangible symbol of success to distract attention from the fighting in the capital. The result, say critics, is that the district councils are being formed without the careful planning that would make them truly representative and before funds were available to give them legitimacy.

## BOOKS

### THE FOUNTAIN OF AGE

By Betty Friedan. 671 pages. \$25. Simon & Schuster.

Reviewed by Winifred Gallagher

A WEEK before his death in May, Daniel X. Freedman, editor of The Archives of General Psychiatry, UCLA neuroscientist and world-class charmer, considered life from the perspective of his eighth decade. "Wait till you hit your '60s," he told a reporter. "Things really open up then."

The Fountain of Age, Betty Friedan's sprawling exploration of the final part of life, shares this bracing perspective.

Freed of constraints that limit younger adults, the old people in these pages have come to "a new place" that's not just not-youth, but a unique developmental stage with rich rewards as well as limitations. Tragically, says Friedan, a sloppy equation of age with debility and a crippling denial of aging and death cause our society to overlook or disparage those who have historically been a respected resource.

Just as she has campaigned against treating women as sex objects, Friedan, aged 72, now protests treating the elderly as "objects of care." Instead of spending billions to reify them, she argues, we should support their independence and communal involvement.

Readers who take up this book because they're brooding over "what to do about Mother" will find that its exploration of the elements of a vital life pertains to adults of any age. By cultivating what the Harvard psychologist Ellen Langer calls "mindfulness," or the active process of paying attention to the present and making choices, Friedan's role models avoid the pitfalls of living on automatic pilot.

Challenging themselves to lead vigorous lives of what MacArthur Foundation psychologist Gilbert Brim terms "just manageable difficulty," they earn the sense of satisfaction that comes from tapping about 80 percent of one's capacities.

Despite a serious illness, 80-year-old Ida Davidoff practices psychotherapy, swims laps and plants a new wildflower garden. "Why deprive yourself of even an hour of beauty," she asks, "because you don't know how long you'll be around to enjoy it?" The crowning glory of Friedan's aged is their blend of knowledge and experience that the German psychologist Paul Baltes describes in his research as "wisdom" — a developmental trait that emerges around 40 and only peaks at 60. "I very much resent people who think that because you're 80, you're getting kind of potty," says Laura McCullough. "Actually, I've gotten better in some ways now I'm older."

By putting her spotlight on the kind of rugged individualists — many from her own privileged circle — who'd be welcome in any family, Friedan presents a somewhat idealized vision of old people and what they want. Her elderly seem like relatives of the feminist wonder women who combine ca-

reer, family and public service, and have a good sense of humor, too.

No matter what their socioeconomic particulars, Friedan reports, old people do best at home in a real community. The author prefers Trailer Estates, a mobile home settlement where the elderly do for themselves and each other, to posh Plymouth Harbor, a "congregate living facility" that supplies maid service, meals, activities and nursing care.

At the heart of America's insensitivity to the old, Friedan finds some cruel stereotypes. Beyond middle age, psychological and physical health vary far more from person to person than before, yet our culture insists on lumping together those over 60 or 65. This careless generalization, augmented by the media's lack of interest in vital older people, has made the disabled and dependent the stock image of old age. The spectre of this "national crisis" fuels much unwarranted anxiety; fear of Alzheimer's disease is widespread, for example, even though 95 percent of people don't get it. Research shows that age and illness — even sickness and passivity — are not inexorably

linked, insists Friedan, and that serious disability generally occurs only shortly before death.

The unbentoned range, length and style of "The Fountain of Age" lend it a chatty charm, but obscure a shorter, more focused and more forceful book. A less indulgent editor would have argued, for example, that menopause isn't an issue of old age, that many points are made with half a dozen stories where one would do and that the mix of research and first- and third-person testimony sometimes muddies the distinction between fact and opinion. Yet 30 years after she led the advance guard of women fighting society's narrow margins, Friedan performs the same service for a generation of older men and women who have similar aspirations. The best achievement of "The Fountain of Age" is that it reintroduces the elderly as individuals, and insists that "they" are us.

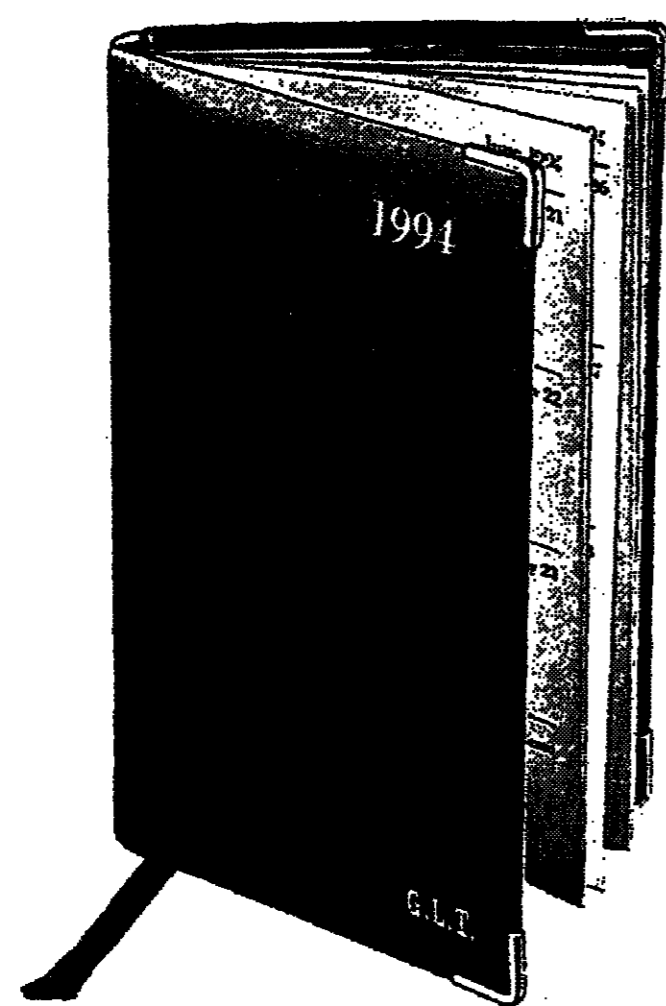
Winifred Gallagher, the author of "The Power of Place: How Our Surroundings Shape Our Thoughts, Emotions, and Actions," wrote this for The Washington Post.

### WHAT THEY'RE READING

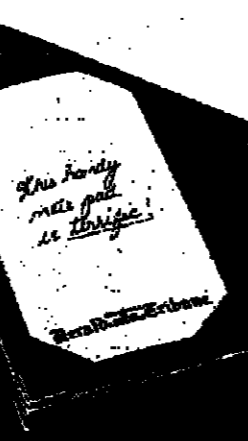
• Orlie Heltzer, owner of the Village Voice bookstore in Paris, is reading "An Imaginary Life," a novel by David Malouf about the exile of the Roman poet Ovid. "It's a reflection on civilization and barbarism. At first the barbarians are a mystery to Ovid. Little by little he comes to understand them. This is one of those books you carry around with you even when you're not reading it." (Mike Zwerin, IHT)



## The IHT Pocket Diary Puts 1994 Right Into Your Pocket.



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FOCUS. Schneller auf den Punkt.

\* As 3.1 million readers in Germany know (Source: AWA '93, Spring '93, tracking study)

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 322 40 00. Prices may vary according to market conditions and other factors. Sept. 24

Dollar Straights

Table with columns: Issuer, Can, Mat, Price, Yld, Bid, Ask. Lists various government and corporate bonds.

Governments/Supranationals

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MUTUAL FUNDS

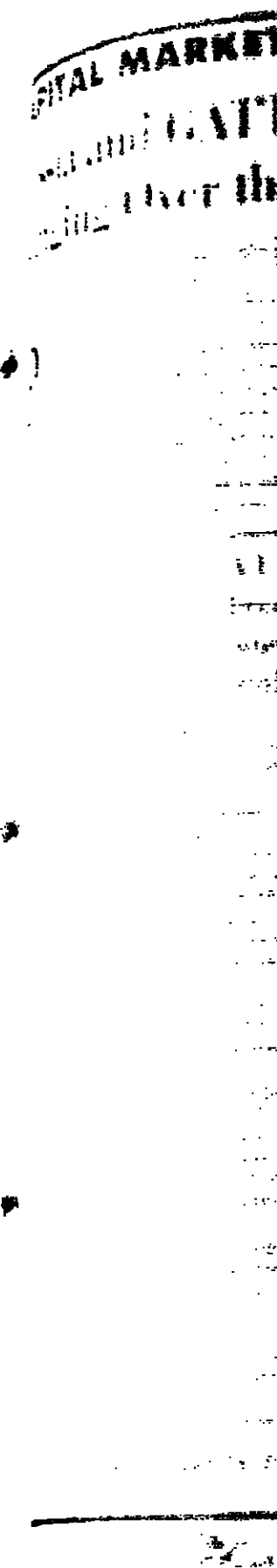
Table with columns: Fund Name, Bid, Ask. Lists various mutual funds and their prices.

For investment information read THE MONEY REPORT every Saturday in the IHT

Table with columns: Fund Name, Bid, Ask. Lists various mutual funds and their prices.

CURRENCY

Table with columns: Currency, Bid, Ask. Lists various currencies and their exchange rates.



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## CAPITAL MARKETS

### Russia and GATT Keep Hanging Over the Markets

By Carl Gewirtz  
*International Herald Tribune*

PARIS — The worldwide drop in financial asset prices, sparked by the showdown in Russia, was an impressive demonstration of just how vulnerable markets are after this year's sharp rally. With the major markets having recovered from their midweek lows, analysts are ready to view the sell-off as a welcome correction blowing away the froth and setting the stage for a more solidly based resumption to the advance.

There are some provisos, however, to this benign interpretation. While Boris N. Yeltsin does appear to have the upper hand, nothing will be clear until after the mid-December election for a new congress. Thus, at least until then, wariness about developments in Russia will be a recurrent uncertainty capable of roiling markets.

Another source of potential instability is the Dec. 15 deadline for completing the Uruguay Round of world trade talks. These negotiations are already two years beyond the date originally set for completion. A continued impasse might lead to a further extension. But a breakdown of the talks looks also to be a possibility — one that analysts say is not yet factored into financial asset prices.

The idea that a failure to reach agreement means an outbreak of a trade war is much exaggerated, says Jonathan Wilmut at CS First Boston in London. Nevertheless, he adds, a breakdown would "undermine confidence and upset markets."

Norbert Walter at Deutsche Bank in Frankfurt agreed that a breakdown "would obviously hurt financial markets." The impact, he warns, would be uneven, with European markets taking a heavier hit than those in North America.

While Germany appears to be the most exposed to Russian problems, in terms of proximity and relations, last week's experience demonstrated that it is professional traders rather than investors who are the most jittery.

The sell-off in the German bond market, which drove up the yield on 10-year government paper by 0.125 percentage point, to 6.23 percent, reflected activity in the futures market rather than selling in the cash market. It remains to be seen how these positions in the futures market will be settled, whether bonds are actually delivered, before it is clear whether the mood in the German bond market has really changed.

First indications would seem to signal no change. Frankfurt bankers noted that the weakening in bond prices and the weakness in the Deutsche mark were seen by Japanese investors as an opportunity to buy cheap. Bankers noted that demand from East Asia accounted for one-third of the placement of the 1 billion DM of 10-year bonds offered by Südwest Landesbank. The yield of 6.3 percent is nearly a percentage point more than can be earned on comparably rated U.S. dollar paper.

Overall for the third quarter, the Deutsche mark recaptured its

See MARKETS, Page 11

### EC Aides Glimpse Recovery

#### IMF Hears Talk Of Lower Rates

WASHINGTON — European financial leaders expressed confidence Sunday that Europe's recession was turning into recovery and they saw the possibility of a decline in interest rates.

In speeches to the Interim Committee of the International Monetary Fund, and in other comments, European finance ministers said they believed the worst was over.

Germany's finance minister, Theo Waigel, said Europe, like Japan, was still negotiating and necessary in Britain and North America was slower than had been hoped.

But underlying conditions were improving, he said, with industrial nations' inflation at its lowest level in 20 years. Major powers had also acknowledged the need for fiscal consolidation and structural reform.

"In Europe, this will enable us...to broaden the monetary scope for continuing the policy of a gradual reduction in short-term interest rates," he told the Interim Committee.

Italy's finance minister, Piero Barucci, said: "In Europe, with the decline of inflationary pressures, there appears to be some room for further easing of monetary policy to support the recovery of economic activity."

The Bank of Italy governor, Antonio Fazio, confirming the severity of the employment problem, said Italy would lose 400,000 to 500,000 jobs in 1993.

The French economy minister, Edouard Balladur, said: "We are at the bottom of the recession. It is possible that we are going to see a scenario of coming out of crisis in the next few months in France."

#### GATT Solution Seen

There are ways to resolve the impasse between the European Community and United States over agricultural subsidies, the GATT director-general, Peter Sutherland, said Sunday in Washington.

U.S. Trade Representative Mickey Kantor and Sir Leon Britan, EC trade commissioner, are meeting on Monday.

Mr. Sutherland said one compromise would be for France, which has been adamant against cutting agricultural subsidies, to be offered some concessions in a side letter to the Blair House EC-U.S. agreement, leaving the text of the accord unchanged.

The dispute has stalled the seven-year-old Uruguay Round of trade negotiations.

In France, there have been signs that politicians might be softening their stance. "We don't want a crisis either in Europe or in international trade," Prime Minister Edouard Balladur said on Sunday. (AFP, Reuters)

### QVC Bid: Worth a Look?

#### Diller Presses Paramount to Consider It

By Geraldine Fabrikant  
*New York Times Service*

NEW YORK — Barry Diller, chairman of QVC Network Inc., on Sunday stepped up the pressure on the board of Paramount Communications Inc. to consider QVC's takeover offer in preference to the initial offer from Viacom Inc.

The Paramount board is to meet Monday, and the 15 directors were already feeling pressure to look at the competing bid, now worth \$9.9 billion, if for no other reason than it could be worth \$2.1 billion more to Paramount's shareholders than Viacom's offer.

QVC's \$8.2 billion bid has tumbled in value to \$7.8 billion because of a fall in Viacom's stock.

"It would appear reckless for the board not to consider an offer with such a large premium, and that is one thing that directors are not allowed to do," said Neil Minow, a principal at Lens Inc., a Washington money management firm.

Viacom has maintained that the QVC bid is not a real bid that Paramount ought to consider because it is contingent on QVC's raising \$2 billion in cash to complete the deal.

The Paramount-Viacom merger agreement stipulates that Paramount may consider unsolicited bids, as long as they are not conditioned upon getting financing.

Mr. Diller said Sunday in a letter to Martin S. Davis, the Paramount chairman, that the QVC offer "is not subject to any condition with respect to financing."

Mr. Diller added: "There is no question as to the financing of the QVC offer. We have commitment for \$1 billion of new equity. We have the assurance of Allen & Co. that the financing for our offer is available." Allen & Co. is a Wall Street investment firm headed by Herbert Allen.

Although several executives and advisers close to Paramount have said in recent days that the board was docile, at least two other executives with knowledge of the board said they understood perhaps as many as four members had been unhappy with Paramount's stock performance over the last year.

They pointed to James A. Paterson, a Canadian entrepreneur, as one of those who had complained. QVC stock fell \$1 a share Friday, to close at \$60.75 in Nasdaq trading. Paramount's stock also dropped, by \$1.25, to \$75.625, on the New York Stock Exchange. Both classes of Viacom's stock rose on the American Stock Exchange: class A was up 62.5 cents, to \$60.875, and class B gained 87.5 cents, to \$56.125.

### China Freezes Investment in Securities Funds

Only one of the China's investment funds, Shandong Province's Zibo Fund, is listed. More than 40 investment funds, involving 10 billion yuan, are awaiting central bank approval, the paper said.

The official told the paper the central bank would probably give approval to some investment funds next year as the financial situation improves and many of these will be listed domestically.

"Listing these standardized funds will play an important role in the stabilization of the stock market since funds are usually engaged in long-term investment instead of short-term speculation," the paper quoted the official as saying.

Steel Prices Falling

Steel prices in China are expected to fall 15 percent below current levels by the end of this year as the government tightens credit and halts illicit construction projects, the China Daily said.

Since the deputy prime minister, Zhu Rongji, brought in measures to cool unbridled economic growth in July, imported steel has piled up on docks and unused stock has begun to clog the nation's steel factories, an official from the Ministry of Internal Trade told the paper.

Steel prices could fall to 3,000 yuan a ton by the end of the year, from 3,500 yuan at present, the paper quoted the official as saying. Steel prices are already declining.

The decline in steel prices is bad news for international metals markets. Until recently, Chinese demand for steel had buoyed international prices during the current global slump, foreign steel traders in Beijing say.

### Or Can Viacom Reverse the Deal?

By Floyd Norris  
*New York Times Service*

NEW YORK — When almost everyone on Wall Street seems certain of something, one thing is likely: That something is not what it seems. So it is now, in the great takeover battle for Paramount Communications. Wall Street is sure Paramount (annual revenue \$4.2 billion) will be taken over. The question is whether the buyer will be Viacom (\$1.9 billion revenue) or QVC (\$1.2 billion).

The very fact that everyone accepts the idea that one of the smaller operations will swallow the larger shows just how easy it is to get credit, at least if you're

in cable, one of Wall Street's current darlings.

Most of the compensation in these deals is stock, which more can always be printed, but there is also cash. QVC, whose business is peddling stuff on a cable channel, has a book value of \$528 million, but plans to pay \$3.6 billion in cash. It has lined up \$1 billion of that and is outraged at suggestions it might have any trouble borrowing the rest.

Paramount wants to be acquired by Viacom, whose offer is now worth \$65.70 a share, well under the \$84.25 current value of QVC's bid. So, most everyone believes, either Viacom will pay more or QVC will win.

### Iran and Kuwait Unbending on Output

#### 2 Producers' Demands Stymie OPEC's Effort to Buoy Prices

By Youssef M. Ibrahim  
*New York Times Service*

GENEVA — Oil ministers of the Organization of Petroleum Exporting Countries, seeking ways of boosting oil prices, remained stymied Sunday by inflexible demands from two Gulf producers, Iran and Kuwait, for bigger shares of OPEC's total oil output.

These demands cannot be reconciled with the cartel's overall desire to diminish the quantities of available oil on world markets immediately, driven by the certainty that failure to do so will entail a price crash in the next few months.

Oil prices have fallen by \$3 a barrel since June under the impact of overall OPEC production estimated at 24.7 million barrels a day, at least one million barrels above the cartel's official ceiling. This ceiling

has been largely ignored by Iran and Kuwait, as well as by Nigeria and the United Arab Emirates.

The second day of talks in Geneva on Sunday was given over to intense bilateral discussions in oil ministers' suites at the Intercontinental Hotel. The most evident development was that a sense of panic was spreading among the 12 members of the cartel; this development, in the view of several officials, will almost certainly lead to an attempt to keep a common front by reaching some accord.

Oil industry analysts, however, said the market will be watching for a real cut in OPEC production, not merely the appearance of an agreement among the hickering members of the cartel.

"The bottom line is no one in OPEC is talking about cutting their

production even though this is a cartel that is looking at very low oil prices. It's giving the impression they can't do anything about it," said Gary Ross, president and chief executive of Petroleum Industry Research Associates, based in New York.

"If you are the head of a cartel and you have very low prices you must think about reducing your supply. Anything else cannot be called a serious strategy," Mr. Ross said, expressing a widespread feeling among oil industry executives.

While this perception seems intended to be shared by some OPEC officials, the unilateral need for greater revenues by several major producers including Iran, Kuwait, Saudi Arabia, Nigeria and Venezuela has brought an inability to see the wider goal of better prices for all.

"The market perceives OPEC to be an organization under siege by its own membership," Gabon's oil minister, Jean Ping, said in a speech Saturday at the opening session of the talks.

### Russia Defends Ruble by Selling \$250 Million

MOSCOW — Russia's central bank sold about \$250 million in the Moscow exchange markets over the last three days to prevent a "catastrophic" drop in the ruble, Interfax news agency reported.

Alexander Khadruev, the bank's vice-president, said the situation was now under control but could have been "catastrophic" without intervention. The Russian currency lost 25 percent of its value against the dollar in the course of the three days.

Separately, the RIA news agency said Sunday that the central bank has stopped granting low-interest loans which have been blamed for stoking inflation. The agency said that credits would be granted only at the discount rate, currently set at 180 percent. (AFP, Reuters)

### THE TRIB INDEX

International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News. Week ending September 24, daily closings. Jan. 1992 = 100.

World Index	108.52	108.52
Asia/Pacific	126.00	126.00
Europe	104.00	104.00
North America	97.00	97.00

Energy	105.15	105.00	+0.14
Utilities	111.45	113.08	-1.44
Finance	114.80	118.43	-3.07
Services	115.34	115.81	-0.41
Capital Goods	101.33	102.99	-1.81
Raw Materials	101.81	104.26	-2.36
Consumer Goods	88.36	90.47	-1.01
Miscellaneous	108.70	110.07	-1.24

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

### CURRENCY RATES

Sept. 24

Currency	Per \$	Currency	Per \$	Currency	Per \$
Australian	1.54	Japanese	148.00	Swiss	1.48
British	1.62	West German	1.82	French	6.55
Canadian	0.72	Italian	1.36	Spanish	166.36
DM	1.82	Portuguese	200.48	Swedish	8.46
HK\$	7.75	South African	13.75	Thai	25.14
INR	47.80	South Korean	170.00	Turkish Lira	197.50
NT\$	36.40	Taiwan	24.60	U.S. Dollar	1.00
Yen	148.00	Yen	148.00	Vietnamese	207.50

Other Dollar Values

Currency	Per \$	Currency	Per \$	Currency	Per \$
Argentine	1600.00	Israeli	1.80	Malaysian	2.35
Australian	1.54	Japanese	148.00	Mexican	16.70
British	1.62	West German	1.82	Norwegian	4.76
Canadian	0.72	Italian	1.36	Portuguese	200.48
DM	1.82	Portuguese	200.48	South African	13.75
HK\$	7.75	South Korean	170.00	Taiwan	24.60
INR	47.80	Taiwan	24.60	Yen	148.00
NT\$	36.40	Yen	148.00		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Australian	1.54	1.54	1.54	Japanese	148.00	148.00	148.00
British	1.62	1.62	1.62	West German	1.82	1.82	1.82
Canadian	0.72	0.72	0.72	Italian	1.36	1.36	1.36
DM	1.82	1.82	1.82	Portuguese	200.48	200.48	200.48
HK\$	7.75	7.75	7.75	South African	13.75	13.75	13.75
INR	47.80	47.80	47.80	Taiwan	24.60	24.60	24.60
NT\$	36.40	36.40	36.40	Yen	148.00	148.00	148.00

### Guangzhou Notebook

#### Builders Reach for the Sky

Wreckers hardly pull down ramshackle buildings fast enough to make way for concrete towers erected in their place. Traffic gridlock approaches as waves of bicycles, luxury cars and overloaded goods trucks jostle for road space.

And no one thronging newly opened stores worries much about urban inflation hitting 23 percent in July — their incomes grew faster still.

Welcome to Guangzhou, the capital of Guangdong province. It is a province where wildlife economic growth is transforming the lives of 60 million people and provincial leaders expect to catch up with such industrial economies as Malaysia, Taiwan and Korea within seven years.

China's paramount leader, Deng Xiaoping, himself gave the nod to Guangdong's modus operandi in January 1992, a move many analysts credit for igniting an economic boom Beijing now struggles to control.

But, while reformers point to Guangdong's amazing economic reforms and potent mix of cheap labor and foreign investment as China's development model, it is hard to know exactly where the 80-story Sky Central Plaza fits into the national agenda.

Due for completion in 1996, the 402-meter (1,314-foot) office and residential complex in Guangzhou is said to be the tallest in Asia, 28.5 meters taller than its nearest rival in Hong Kong.

The joint venture developers — Kanagami Gumi (HK), Shell Electric Manufacturing (Holdings) and Ringo Trading Ltd. — evidently are counting on Guangdong's boom continuing. They will have 286,000 square meters (3.08 million square feet) of space to rent within two years.

#### Will Wu Take the Plunge?

Gordon Wu's Hopewell Holdings Ltd. was one of the first Hong Kong construction companies to test the waters in Guangdong. Now, due to heavy rains and other delays to a major highway project, Mr. Wu may be taking a bath.

The Guangzhou-Shenzhen-Zhuhai superhighway must be completed by the end of September or Mr. Wu, as he promised last year, will have to take a dip in Hong Kong's harbor.

"It's a long way off yet," said John Finkel, an analyst with H.G. Securities in Hong Kong, speaking of the province's hottest growth areas. "Some of the most difficult sections and bridges have yet to be built," he said.

It is difficult to say which is the worse prospect for the Hopewell managing director, or missing out on an early completion bonus from Guangdong province.

Every month the tollway is completed and operating before a June 1994 deadline. Hopewell gets to keep the revenues. Worse than swimming, though, are harsh financial penalties for missing the completion date.

#### Breaking More Bowls

If Yin Yao-tang succeeds at his task, the sound of breaking "iron rice bowls" will spread from Shenzhen, China's economic reform incubator, throughout the country's vast civil service.

Nowhere in China was the guarantee of a job for life, cradle-to-grave benefits and subsidized housing more iron-clad than in its many layers of bureaucracy. Nor were there many places where more workers held their jobs through political connections than achievement.

However, Mr. Yin, the deputy chief of the Shenzhen municipal government's personnel bureau, is supervising reforms that have professionalized and raised the pay of local civil servants while trimming their numbers.

"People had old ideas about their jobs," Mr. Yin said of reforms that started slowly in two municipal government departments in 1988 before enactment throughout Shenzhen, a special economic zone just across the border from Hong Kong. "It was difficult to bring in changes because people have thought about the civil service the same way for a few thousand years."

The dramatic changes include new civil-service entrance exams, on-the-job performance assessment and promotions based on merit rather than seniority or Communist Party connections.

Civil servants in Shenzhen are also prohibited from having second jobs, owning side businesses or having close relatives in businesses areas under their supervision. Nor can senior officials play the local stock market.

Success in improving the quality of the civil service in the midst of one of the country's fastest-paced boom towns, with all of its obvious pay-rich opportunities, has drawn considerable attention from other cities and provinces, struggling to keep up with China's rapid reforms in other sectors.

The northern industrial city of Harbin has followed Shenzhen's lead and Beijing is pushing new national legislation forward to reform the civil service.

"The reforms will be in place across China within five years," said Mr. Yin, who recently met with seven out-of-town delegations seeking reform tips in one day.

Kevin Murphy

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NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Sept. 24.

Main table containing multiple columns of stock market data including company names, prices, and trading volumes.

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Table with multiple columns of data, possibly related to the classified ads or a continuation of the market data.

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New International Bond Issues

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price, Price and week, Terms. Includes Floating Rate Notes, Fixed-Coupons, and Equity-Linked sections.

Russia Sows New Debate On Dollar

By Carl Gewirtz
International Herald Tribune
PARIS — The dollar was the major beneficiary from the political turmoil in Russia last week. But analysts are sharply divided on whether this leaves the currency poised for its long-awaited breakout against the Deutsche mark or ripe for a fresh setback.

Bonds Go Back to Waiting for Data

Knights-Ridder
NEW YORK — The U.S. 30-year bond is unlikely to set new highs over the coming sessions as technical factors should direct trading ahead of the main U.S. economic reports to be released in early October, analysts said.

Fed Shifted to Neutral Stance in August

By John M. Berry
Washington Post Service
WASHINGTON — Federal Reserve System policymakers unanimously agreed last month that there was no need to increase short-term interest rates to combat inflation, according to minutes of an Aug. 17 meeting released last week.

MARKETS: GATT and Russia

Continued from Page 9
standing as the second-most-active segment of the international bond market, displacing the troubled French franc. Data from Salomon Brothers shows overall activity was virtually unchanged from the second quarter at the equivalent of \$91.2 billion. While this is 25 percent below the record volume of \$119.2 billion in the first quarter of this year, it is 50 percent above the year-ago period.

Dresdner Rebuffs U.S. on Accounts

Reuters
WASHINGTON — Dresdner Bank's chairman, Jürgen Sarrazin, said Sunday that under current conditions, he doubted other German companies would follow the example of Daimler-Benz AG and list shares U.S. exchanges.

The Week Ahead: World Economic Calendar, Sept. 27-Oct. 1

Table listing economic events by date and region (Asia-Pacific, Europe, The Americas). Includes events like Hong Kong investment forum, Tokyo August industrial production, and various government reports.

U.S. Tool Orders Plunge in August

The Associated Press
NEW YORK — Orders for machine tools made in the United States, considered a barometer of future industrial activity, fell 22 percent in August from the month before, the fourth straight monthly decline, a trade group said Sunday.

Euromarts At a Glance

Table showing Eurobond yields and weekly sales for various countries and currencies.

MICHELIN Compagnie Générale des Etablissements Michelin Consolidated Results, 1st half 1993. Includes financial summary, sales turnover, and recent trends.

# Cray Set to Enter Parallel Universe

**NEW YORK** — Cray Research Inc. will unveil Monday its foray into the burgeoning world of massively parallel computers, a new breed of supercomputers that have captured the attention of scientists. Massively parallel systems have hundreds or thousands of standard number-crunching processors. Traditional Cray machines use fewer processors and process data in a different way than the new machines. Cray has long dominated the supercomputer industry with its traditional systems. But in the past few years, the massively parallel machines have won kudos from the supercomputing community for their impressive speed.

The official launch of the new system, which Cray has named T3D, is key to Cray's future and its plans to increase sales, analysts said.

Cray's revenue was little changed at \$797.6 million in 1992 and analysts said the new model could prop up sales as early as next year. Jeff Canin of Salomon Brothers Inc. recently estimated Cray's revenue from the model would account for 10 to 15 percent of sales in 1994.

Cray recently installed its first prototype at the Pittsburgh Supercomputing Center. The Pittsburgh center will also develop program for the model. The lack of applications software, which is abundant for the standard Cray machines, has held back widespread acceptance of massively parallel systems.

**SEC Targets Oracle**

When an apparently charmed front-runner stumbles, there is a sense of the tragic. When the fall is examined closely, the mood sometimes shifts to skepticism. That may be the case with Oracle Systems Corp., the gifted software design company that simply could not count, Diana B. Henriques of the New York Times reported.

Without admitting wrongdoing, Oracle agreed Friday to pay a federal fine of \$100,000 to settle a complaint by the Securities and Exchange Commission accusing the company of numerous accounting irregularities in recent years.

Oracle was a Wall Street darling until Aug. 27, 1990, when it disclosed it had seriously miscalculated its sales for the five quarters that ended on May 31, 1990. On July 9, 1991, it admitted even more mistakes—all of which it said resulted from a lack of internal controls.

Now, with its stock again soaring, Oracle's faithful fans on the Street tend to dismiss the past as a mere case of "overaggressive" accounting.

A very different picture of the company's accounting practices emerged from the complaint filed Friday by the SEC in U.S. District Court in San Francisco. The lapses outlined included steps one forensic accountant said were "unbelievably blatant"—billing for services never performed, double-billing and failing to deduct sales when equipment was returned by customers.

"These are not gray areas where there is some accounting uncertainty about how to handle it," said Howard M. Schilit, accounting professor at American University in Washington and author of "Financial Shenanigans," a guide to accounting gimmicks and fraud. "Billing somebody for a sale or services that did not take place—that's just wrong."

Jeffrey O. Henley, executive vice president and chief financial officer of Oracle, said the SEC had made no accusations of fraud or intentional wrongdoing.

## WORLD STOCKS IN REVIEW

### Amsterdam

Amsterdam was boosted by a strong dollar and recorded a modest rise last week after weathering effects of the Russian crisis. The CBS All-Share index ended the week at 242.4 points, up from last week's close of 240.7.

Royal Dutch and Unilever, which together account for 50 percent of the total Amsterdam market capitalization, both rose. Royal Dutch closed up 3.20 guilders at 181.60 and Unilever was 3.50 higher at 200.

Volume rose to 16.1 billion guilders from 14.4 billion the previous week.

### Frankfurt

The Frankfurt stock market was marked by worries but not panic over the events in Russia and the market as a whole managed a slight gain in the course of the week.

The DAX Index ended the week at 1,885.86 points, up 0.20 percent from its close on the previous Friday.

The market started the week on a strong note, rising 2.32 percent on Monday and Tuesday after being boosted by a surge in shares of Daimler-Benz. Disappointing results for the first half were offset by the announcement of the company's listing in New York.

But the Russian crisis drove the market down 1.71 percent on Wednesday, prompting some investors to say the market was ripe for a consolidation after a number of solid increases.

A rebound of 1.34 percent on Thursday was followed by a fall of 1.60 percent on Friday.

Daimler-Benz rose 10.50 Deutsche marks in the course of the week to close at 732 DM and Allianz climbed 21 DM to 2,518 DM. Financial shares were mixed.

The week's volume on German stock exchanges rose slightly to 35.97 billion DM from 34.49 billion DM the week before.

### Hong Kong

Hong Kong shares rose 1.4 percent in volatile trading last week which was fueled largely by optimism that Beijing would win its bid to host the Olympic Games in 2000.

The blue-chip Hang Seng Index gained 106.94 points, to close at 7,525.05.

The index surged 102.10 points on Thursday but fell 55.95 points on Friday after China lost out to Sydney.

Hong Kong stocks investors appeared to brush aside a warning from Deng Xiaoping, China's paramount leader, that Beijing could take over the British colony before 1997.

### London

Shares were slightly depressed Wednesday by the events in Russia but recovered to show almost no change for the week.

The Financial Times-Stock Exchange 100-Share Index fell 0.3 points, to close at 3,005.2, and dealers said that a resistance point had been found at 3,000.

Nervousness about Russia was balanced by news of a lower-than-expected trade deficit for Britain with countries outside the European Community and by a recovery on the futures market.

Among pharmaceuticals, Glaxo climbed 10 pence on the week to 654 after winning a court battle to protect its top-selling anti-ulcer drug Zantac, while SmithKline Beecham rose 15 pence to 421 and Wellcome climbed 18 pence to 714.

Zeneca fell 15 pence to 710 and Thorn fell 48 pence to 922. Dealers cited sales by U.S. investors in the case of both companies.

### Milan

A string of disappointing mid-term company results, compounded by worries about Russia, caused the Milan market to fall 2 percent last week.

The Mibtel Index closed the week at 10,308 points.

Olivetti rose 6.5 percent and Fiat lost 1.38 percent during the week. Pirelli shed 5 percent after announcing further losses.

Generali suffered a sharp drop in mid-term profit but the share managed to limit the damage to a fall of only 0.34 percent.

### Paris

The Paris market fell 0.4 percent in reaction to the political turmoil in Russia, but analysts remained optimistic about longer-term prospects.

The CAC 40 Index fell 6.9 points, closing Friday at 2,092.60.

Traders said that the short-term outlook had been clouded by publication of plans for French taxes, by poor consumer sales and by disappointing mid-term results.

Countering the general pattern, Imetal, Ersofiny, Michelin and Havas posted solid gains during the week.

### Singapore

The Straits Times Industrial Index slipped 25.13 points, to 1,983.25, in cautious trading, while the broader All-Singapore Index rose 6.43 points, to 510.58.

Concerns about Russian led to some sales but dealers also cited profit-taking.

### Tokyo

Despite a larger-than-expected cut in the discount rate, share prices lost ground in Tokyo as market players were unsettled by events in Moscow and as companies liquidated positions at the end of the September accounting period.

The Nikkei Stock Average of 225 issues slipped 83.51 points, to 20,307.53, after falling 426.94 points in the previous week.

Shares of electronics and auto companies were mixed while brokerage houses closed weaker. Construction companies lost ground due to revelations about bribery scandals involving politicians and contractors.

### Zurich

A buoyant market in Zurich brushed aside concerns about Russia to post solid gains and heavy volume, largely due to the strength of the dollar.

The Swiss Performance Index climbed 32.15 points to 1,545.55.

Banks finished stronger as Credit Suisse rose 45 Swiss francs to 2,865 francs, Union Bank of Switzerland climbed 26 francs to 1,184 francs and Swiss Bank Corp. firmed 13 francs to 465 francs.

Insurers and chemical companies closed mixed.

## SHORT COVER

### Japan Eases Imports of Rice, Apples

**TOKYO** (Combined Dispatches) — Japan will temporarily lift its ban on importing rice to make up for the worst domestic harvest in 40 years, newspapers reported Sunday.

"There will be a cautious approach, so as not to raise the international market price of rice," the Japan Times said, quoting government officials.

The United States and other rice-producing countries long have pressed Japan to accept their rice. But Japan argues that it must be self-sufficient in its staple food, and Japanese farmers say they could not compete with cheaper imported rice.

The Yomiuri newspaper said Japan would import 300,000 to 400,000 tons, mainly of processed or glutinous rice.

Separately, the U.S. Trade Representative's Office in Washington said Japan had agreed to "move expeditiously" to open its market to U.S. apples. Washington has tried for more than a decade to win Japanese market access for U.S. apples, but has faced a series of changing technical requirements. (AP, UPI)

### Gulf Airlines Buy Into Indian Carrier

**MANAMA, Bahrain (AP)** — Gulf Air and Kuwait Airways are buying a 40 percent stake in the holding company of Jet Airways, one of the new private airlines flying in India, Gulf Air said Sunday.

The companies have each taken a 20 percent stake in Tail Winds, a nonresident Indian company that owns Jet Airways. The rest is held by the Jet Airways chairman, Naresh Goyal.

Jet is among the private carriers that have sprung up to challenge the state-owned Indian Airlines, infamous for overbooking, late arrivals and surly staff.

### No New Home for N.Y. Exchanges

**NEW YORK (NYT)** — The New York and American stock exchanges have canceled a plan to build an enormous new trading complex and office tower on Wall Street, public and private officials familiar with the project have said.

There was no immediate indication why the exchanges canceled the undertaking, as neither would comment on Friday.

### Zimbabwe Shields Newsprint Industry

**HARARE, Zimbabwe (Reuters)** — Zimbabwe, which recently opened up to imported newsprint as it implements Western-backed economic reforms, said Sunday that it was reversing the measure temporarily because local companies are threatened with collapse.

"The newsprint and other industries that are in their infancy are being killed by international competition," the industry minister, Christopher Ushewokunze, was quoted as saying in the state-controlled Sunday Mail.

### Hyundai Leads Chaebols in Revenue

**SEOUL (AFP)** — Hyundai Group passed Samsung Group to lead the South Korean conglomerates, or chaebols, in revenue in the first half of 1993, the Trade and Industry Ministry said Saturday.

Hyundai had sales of 20.86 trillion won (\$2.8 billion) and Samsung 20.12 trillion won. Hyundai was second in full-year 1992, with revenue of \$44.9 billion, while Samsung was on top, at \$46.6 billion.

### Philippine Telephone to Raise Capital

**MANILA (Reuters)** — Philippine Long Distance Telephone Co. plans to float 10 billion pesos (\$351 million) worth of preferred convertible shares in 1994 to help finance installation of 300,000 phone lines, a company officer said Sunday.

### REVERSE: Turning It Around?

**Continued from Page 9**

ers Inc. The idea is that an interloper should not be able to interrupt a careful corporate strategy.

Mr. Holmes notes that Viacom and Paramount claim to have been talking for four years. That, he says, indicates they are thinking about invoking the Time ruling by having Paramount buy Viacom instead.

Since then, he has waged a hit-and-run guerrilla war in the streets and shattered buildings of Mogadishu, relying on about 800 militia fighters and a network of informants and supporters.

There are lots of arguments against such a tactic, and structural barriers it would avoid a Paramount shareholder vote and to let Viacom's chairman, Sumner Redstone, keep a big stake would be tricky. But it might be doable.

Paramount could argue that nobody is offering to let Paramount shareholders cash out. Under the QVC deal, they would own most of the merged company. Buying Viacom gives them a stake in what the board could argue is a better company.

Were that scenario to materialize, the screams would be heard far and wide. The speculators who have bid up Paramount would suffer big losses.

### FOREST: Anxiety in Ecuador

**Continued from Page 1**

mines minister, said in a recent interview here.

According to Unicef, 79 percent of Ecuador's population is considered poor, and 39 percent of the children under the age of five suffer from malnutrition.

He noted that the country of 11 million people relied on oil sales for half its export earnings and for 62 percent of its government budget. Indeed, an aggressive exploration drive has made Ecuador a major South American oil-exporting nation.

A map in Mr. Costa's office shows that the country's Amazon region is already largely carved by oil company exploration and production blocks.

With most of Ecuador's proven reserves in the Amazon, the government plans to put up for bids in January six more Amazon blocks.

In the capital, a common piece of graffiti — "the oil flows, the forest bleeds" — seems to have limited resonance.

In December, Ecuador dropped out of the Organization of Petroleum Exporting Countries after the cartel tried to impose a production quota that was 23 percent below the country's projected output for 1993.

Amazon tourism has doubled over the last five years, giving influential business people in Quito an economic interest in preserving the jungle.

### SOMALIA: U.S. Reiterates Stand

**Continued from Page 1**

House press secretary, Dee Dee Myers, said.

Her statement said that "substantial yet fragile progress" had been made outside the anarchy of Mogadishu. Administration officials said that in other regions of the country district councils had started to reassert local rule and that schools and hospitals had been rebuilt and were operating.

In fact, the fighting has been centered in south Mogadishu, which is controlled by General Aidid, whom the United Nations holds responsible for dozens of attacks on UN peacekeepers.

Fifty-six peacekeeping troops have been killed since June, when 24 Pakistanis were killed in an ambush. The Security Council held General Aidid responsible and ordered his arrest.

Since then, he has waged a hit-and-run guerrilla war in the streets and shattered buildings of Mogadishu, relying on about 800 militia fighters and a network of informants and supporters.

"This attack underscores the need to re-establish security in Mogadishu to prevent the international humanitarian efforts from being undermined," the White

### Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes	Money Rates
United States, Sept. 24	Sept. 24
DJ Indus. 3,561.11	3-month T-bill 7.00
DJ Indus. 3,613.25	Discount rate 3.00
DJ Indus. 2,482.62	Prime rate 6.00
DJ Trans. 1,658.67	Federal funds rate 2 1/2-1/4
S & P 100 427.26	Japan
S & P 500 457.43	Discount 1%
S & P Ind 316.14	Call money 2 7/8-1/4
NYSE Comp 254.18	3-month Interbank 2 7/8-1/4
FTSE 100 3,085.20	Germany
FT 30 2,309.29	Lombard 7%
Japan	Call money 7.00
Nikkei 225 21,328.00	3-month Interbank 4.65
DAX 1,885.86	Bank base rate 6.00
Hong Kong	Call money 6%
Hang Seng 7,525.05	3-month Interbank 5%
World	Gold Sept. 24
MSCIP 587.20	Sept. 17
	London p.m. fix 357.86
	357.85 +1.63 %

World Index From Morgan Stanley Capital Int.

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**Mezzanine Capital Corporation Limited**

Notice to the holders of the Bearer Depositary Receipts ("BDRs") evidencing Participating Redeemable Preference Shares of US 1 cent each ("Shares") of Mezzanine Capital Corporation Limited ("Company")

**Notice of Annual General Meeting**

NOTICE IS HEREBY GIVEN to the holders of the BDRs that Chemical Bank (Guernsey) Limited ("the Depository") has received notice from the Company that the Annual General Meeting of the members of the Company will be held at Capital House Building, Bath Street, St. Helier, Jersey, Channel Islands on Monday, 18th October, 1993 at 11.00 a.m. for the purpose of considering and voting on the following matters:

- To receive and consider the Accounts and Balance Sheet and Reports of the Directors and Auditors for the year ended 31st May, 1993.
- To re-appoint Messrs. Price Waterhouse as Auditors of the Company and to authorise the Directors to fix their remuneration.
- To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

BDR holders have the right to attend and speak at the Annual General Meeting but not themselves to vote thereat. BDR holders may however instruct the Depository as to the exercise on their behalf of the voting rights attributable to the shares evidenced by the BDRs which they hold.

Instructions as to voting must be given either to the Depository or to a Paying Agent, Cedeel or Eurocedel (a "Paying Agent") in writing not later than Wednesday, 13th October, 1993 and must be accompanied by the BDR in respect of the Shares for which such instructions are given. The Depository or relevant Paying Agent must be satisfied that such BDR is held in a blocked account as to order until after Monday, 18th October, 1993. Voting instruction forms may be obtained from any Paying Agent.

On deposit of a BDR with or to the order of a Paying Agent the holder thereof may obtain a receipt which will entitle him to attend and speak at the Annual General Meeting.

BDRs deposited with or to the order of a Paying Agent will not be released until the first to occur of (A) the conclusion of the above-mentioned meeting or any adjournment thereof or (B) the surrender to the Paying Agent, not less than 48 hours before the time for which such meeting or any adjournment thereof is convened, of the receipt issued by the Paying Agent in respect of each such deposited BDR which is to be released or the BDR or BDRs ceasing with its agreement to be held by its order. The Paying Agent shall promptly give notice to the Depository of such surrender or release.

Copies of the Company's Annual Report may be obtained from any of the Paying Agents listed below and Eurocedel and Cedeel.

Depository and Principal Paying Agent  
Chemical Bank (Guernsey) Limited,  
Albert House, PO Box 92, South Esplanade,  
St. Peter Port, Guernsey,  
Channel Islands GY1 4BU

Paying Agents  
Barclays Trust Luxembourg SA,  
PO Box 807, 14 Boulevard FD Roosevelt,  
Luxembourg, Grand Duchy of Luxembourg  
Morgan Guaranty Trust Company of New York,  
14 Place Vendôme, 75001 Paris, France

St. Peter Port, Guernsey by: Chemical Bank (Guernsey) Limited  
Dated 27th September, 1993 Depository

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**ICIC HOLDINGS LIMITED  
ICIC INVESTMENTS LIMITED  
IN LIQUIDATION**

**NOTICE TO CREDITORS**

The Official Liquidators of ICIC Holdings Limited and ICIC Investments Limited ("the Liquidators") appointed in the Cayman Islands, are requesting creditors to advise the Liquidators in writing of the details of their claims against ICIC Holdings Limited or ICIC Investments Limited by 31 October 1993 at the address below.

**Official Liquidators  
ICIC Holdings Limited or  
ICIC Investments Limited  
P.O. Box 1359  
Grand Cayman  
Cayman Islands, B.W.I.**

(Continued)

**MUTUAL FUNDS**

Figures as of close of trading Friday, Sept. 24.

Symbol	Net Assets	Price	% Chg.
AGF	1,124.2	12.12	+0.83
AMF	1,124.2	12.12	+0.83
AMT	1,124.2	12.12	+0.83
AMW	1,124.2	12.12	+0.83
AMX	1,124.2	12.12	+0.83
AMZ	1,124.2	12.12	+0.83
AMAA	1,124.2	12.12	+0.83
AMAB	1,124.2	12.12	+0.83
AMAC	1,124.2	12.12	+0.83
AMAD	1,124.2	12.12	+0.83
AMAE	1,124.2	12.12	+0.83
AMAF	1,124.2	12.12	+0.83
AMAG	1,124.2	12.12	+0.83
AMAH	1,124.2	12.12	+0.83
AMAI	1,124.2	12.12	+0.83
AMAJ	1,124.2	12.12	+0.83
AMAK	1,124.2	12.12	+0.83
AMAL	1,124.2	12.12	+0.83
AMAM	1,124.2	12.12	+0.83
AMAN	1,124.2	12.12	+0.83
AMAO	1,124.2	12.12	+0.83
AMAP	1,124.2	12.12	+0.83
AMAQ	1,124.2	12.12	+0.83
AMAR	1,124.2	12.12	+0.83
AMAS	1,124.2	12.12	+0.83
AMAT	1,124.2	12.12	+0.83
AMAU	1,124.2	12.12	+0.83
AMAV	1,124.2	12.12	+0.83
AMAW	1,124.2	12.12	+0.83
AMAX	1,124.2	12.12	+0.83
AMAY	1,124.2	12.12	+0.83
AMAZ	1,124.2	12.12	+0.83
AMBA	1,124.2	12.12	+0.83
AMBB	1,124.2	12.12	+0.83
AMBC	1,124.2	12.12	+0.83
AMBD	1,124.2	12.12	+0.83
AMBE	1,124.2	12.12	+0.83
AMBF	1,124.2	12.12	+0.83
AMBG	1,124.2	12.12	+0.83
AMBH	1,124.2	12.12	+0.83
AMBI	1,124.2	12.12	+0.83
AMBJ	1,124.2	12.12	+0.83
AMBK	1,124.2	12.12	+0.83
AMBL	1,124.2	12.12	+0.83
AMBM	1,124.2	12.12	+0.83
AMBN	1,124.2	12.12	+0.83
AMBO	1,124.2	12.12	+0.83
AMP	1,124.2	12.12	+0.83
AMPQ	1,124.2	12.12	+0.83
AMPB	1,124.2	12.12	+0.83
AMPD	1,124.2	12.12	+0.83
AMPE	1,124.2	12.12	+0.83
AMPF	1,124.2	12.12	+0.83
AMPG	1,124.2	12.12	+0.83
AMPH	1,124.2	12.12	+0.83
AMPI	1,124.2	12.12	+0.83
AMPJ	1,124.2	12.12	+0.83
AMPK	1,124.2	12.12	+0.83
AMPL	1,124.2	12.12	+0.83
AMPM	1,124.2	12.12	+0.83
AMPN	1,124.2	12.12	+0.83
AMPO	1,124.2	12.12	+0.83
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AMPG	1,124.2	12.12	+0.83
AMPH	1,124.2	12.12	+0.83
AMPI	1,124.2	12.12	+0.83
AMPJ			

MONDAY SPORTS

Jays Clinch Tie for AL East Title, Braves Halt Phillies for 100th Win

Rangers Sink As Chicago Wins Again

The Associated Press
The Toronto Blue Jays clinched a tie for their third straight AL East title...

AL ROUNDUP

doubleheader against Detroit to wrap up their fourth division championship in five years.

Instead, a crowd of 50,518, which boosted the Blue Jays' total to an AL record 4,057,947, saw the Yankees postpone the party.

The Blue Jays needed to win their final home game of the season and have Baltimore lose once in a doubleheader against Detroit...

Toronto takes a magic number of one into Milwaukee, where Paul Molitor could help the Blue Jays clinch Monday night against his former Brewers teammates.

Jim Leyritz hit a three-run homer in the first off Todd Stottlemyer and Abbott made the lead stand up. Toronto lost for just the second time in 14 games.

Abbott won for the first time in four starts since pitching a no-hitter against Cleveland on Sept. 9. He gave up a solo home run to Joe Carter...

White Sox 5, Rangers 3: Bo Jackson homered and Jason Bere won his sixth straight start as Chicago beat Texas in the first game of a doubleheader in Chicago...

It was Chicago's fourth victory in a row and increased their lead over the second-place Rangers to eight games.

Bere gave up four hits, including Dean Palmer's 3rd homer, in six innings. He walked five, hit a batter and struck out five.

Roberto Hernandez got the last four outs for his 37th save in 43 opportunities.

Lozer Kenny Rogers gave up three runs and six hits in 6 2/3 innings.

Tigers 9, Orioles 4: Cecil Fielder ended a home run drought as Detroit pushed the Orioles a notch closer to elimination from the AL East race in the first game of a doubleheader in Baltimore.

Eric Davis, Alan Trammell and Tony Phillips also homered for the Tigers, who handed the reeling Orioles their eighth loss in 11 games.

Davis' homer, a 452-foot drive, was the longest ever hit in a game at Camden Yards.

Detroit starter Bill Gullickson allowed three runs in 5 1/2 innings.

Twins 5, Red Sox 2: In Boston, Mike Trombley allowed one run and five hits in six innings for his first win as a starter since Aug. 14.



With the bases loaded, the Jays' Roberto Alomar got the Yankees' Jim Leyritz out at second, then relayed to first to nab Don Mattingly.

second in two days — as the Indians closed to 4-3.

In Saturday's games: Blue Jays 3, Yankees 1: Toronto moved to the brink of its third straight AL East title behind Al Leiter's six innings of one-hit ball in Toronto.

Rickey Henderson, who homered and scored three times in Toronto's 7-3 victory on Friday night, again tormented his former team. He doubled, singled, stole a base and scored twice, giving him 19 runs against the Yankees this year in stints with Oakland and Toronto.

Leiter walked four and struck out two in six scoreless innings. He made his first start since June 17, when he beat Boston with his first major league shutout. Leiter was a fill-in when Jack Morris was injured earlier this year, and moved

back into the rotation when Morris was sidelined for the season.

Indians 6, Brewers 2: Mark Clark won his third straight decision since coming off the disabled list and Sam Horn homered as Cleveland beat visiting Milwaukee.

Twins 9, Red Sox 7: Pedro Munoz delivered a go-ahead RBI single and Chip Hale's pinch-hit, 10th run double capped a four-run 10th inning in Boston that lifted Minnesota.

Angels 6, Royals 2: In Kansas City, Missouri, California struck for four runs in the eighth inning to beat David Cone and the Royals.

Athletics 7, Mariners 2: Ruben Sierra snapped an 0-for-15 slump with a sacrifice fly and a grand slam in Seattle to tie a career high with five RBIs and lead Oakland to its 13th victory in 19 games.

Mets 9, Expos 3: Jeff Kent hit his first career grand slam and drove in five runs as New York beat visiting Montreal.

The second-place Expos took two of three in the series, but needed a sweep against the last-place Mets.

Dave Telgheder scattered five hits in eight innings for the victory. Mike Maddux got the last three outs.

Kent's grand slam came in a six-run fifth inning when the Mets baited another to erase a 2-1 deficit. New York had four hits in the inning, including RBI singles by Eddie Murray and Jeremy Burnitz.

Kent, who has 20 homers, also had an RBI double in the seventh when the Mets scored twice to make it 9-2. Todd Hundley also had a run-scoring single.

Pirates 5, Cubs 1: In Pittsburgh,

season as the Giants beat visiting San Diego behind the strong pitching of rookie Salomon Torres.

Bonds hit solo homers in the second and fourth innings off Andy Ashby, giving the left fielder 43 homers and 111 RBIs.

Reds 6, Rockies 0: Jose Rijo pitched his first career one-hitter as he breezed past the Rockies in just 1 hour, 59 minutes, in Denver.

Expos 4, Mets 1: Montreal moved within five games of first-place Philadelphia as Tim Lincecum drove in two runs with a homer and a single off Eric Hillman to help the visiting Expos beat New York.

Marlins 2, Cardinals 1: Florida rallied for two runs in the eighth inning in Miami to defeat struggling rookie Allen Wilson.

Astros 12, Dodgers 4: The Astros pounded five Dodgers pitchers for 18 hits in Los Angeles. Houston's Steve Finley drove in two runs with a homer and a single, and Craig Biggio added two on a triple and a double.

Expos Fade in Race Against Philadelphia

Compiled by Our Staff From Dispatches
Jeff Blausler's two-run single in a four-run seventh inning snapped a tie and the Atlanta Braves beat the Phillies, 7-2, on Sunday in Philadelphia for their 100th victory, taking two of three games in the weekend matchup of division leaders.

The Phillies' magic number for clinching the NL East title, however, was reduced to three as second-place Montreal lost at New York.

Atlanta entered the game leading San Francisco by 1 1/2 games in the West, one in the loss column. The Giants played a late afternoon game against San Diego.

Steve Avery pitched six innings, allowing four hits and two runs as the Braves improved to 7-7 this season when he starts. Greg McMichael, the third Atlanta pitcher, got the last three outs.

With the score 2-2, pinch-hitter Deion Sanders opened the seventh with a walk and advanced to second on a wild pitch by Curt Schilling. Otis Nixon then beat out a bunt, with Sanders taking third.

Nixon stole second without a throw and Blausler hit a 3-2 pitch for a single to right, scoring two runs. After Blausler's hit, Schilling left for Larry Andersen, who retired Ron Gant. David West replaced Andersen and walked Fred McGriff and David Justice to load the bases.

Donnell Palfrey relieved and gave a run-scoring infield single to Terry Pendleton and another run scored on Mark Lenke's fielder's choice groundout.

Mets 9, Expos 3: Jeff Kent hit his first career grand slam and drove in five runs as New York beat visiting Montreal.

The second-place Expos took two of three in the series, but needed a sweep against the last-place Mets.

Dave Telgheder scattered five hits in eight innings for the victory. Mike Maddux got the last three outs.

Kent's grand slam came in a six-run fifth inning when the Mets baited another to erase a 2-1 deficit. New York had four hits in the inning, including RBI singles by Eddie Murray and Jeremy Burnitz.

Kent, who has 20 homers, also had an RBI double in the seventh when the Mets scored twice to make it 9-2. Todd Hundley also had a run-scoring single.

Pirates 5, Cubs 1: In Pittsburgh,

Starter Paul Wagner has allowed just three earned runs in his last three starts, spanning 22 2/3 innings. He gave up five hits, walked one and struck out a career-best eight in eight innings.

Carlos Garcia and Andy Van Slyke wrapped singles around Jay

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NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Sept. 24. (Continued)

Table with columns for company names, sales, high, low, close, and net change. Includes companies like AT&T, IBM, Microsoft, etc.

Table with columns for company names, sales, high, low, close, and net change. Includes companies like Intel, Sun, Oracle, etc.

Table with columns for company names, sales, high, low, close, and net change. Includes companies like HP, Dell, Compaq, etc.

Table with columns for company names, sales, high, low, close, and net change. Includes companies like Cisco, Lucent, etc.

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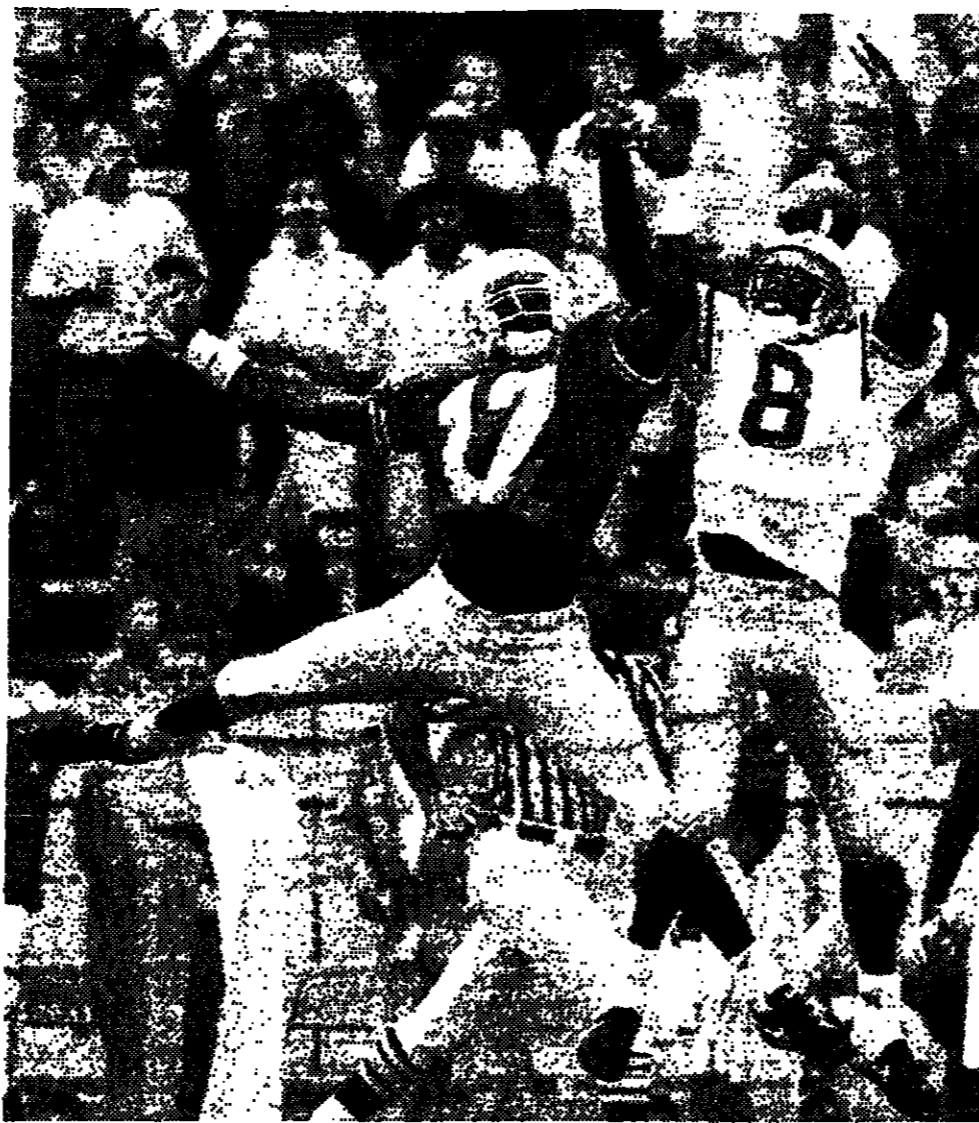
MONDAY SPORTS

Colts Knock Off Browns, 23-10, As Bills Stumble

The Associated Press This time, Vinny Testaverde's comeback attempt crashed...

NFL ROUNDUP

On a 65-yard march that ended in a six-yard touchdown run by Anthony Johnson to give Indianapolis a 16-10 lead with 3:14 left...



Both the Tennessee receiver Cory Fleming (12) and LSU's Tory James ended up empty-handed.

U.S. Team Powers Back To Retain the Ryder Cup

By Ian Thomsen International Herald Tribune SUTTON COLDFIELD, England — The 30th Ryder Cup fell into American hands on Sunday...

Up ahead trudged his morose teammate, Constantino Rocca, from the 18th green. His wife was trying to hug him...

"We all felt for Rocca," said the European captain, Bernard Gallacher. "The Ryder Cup, in my opinion, unfortunately revolved around Rocca..."

When the American captain, Tom Watson, figured how his 12 players won 10 1/2 of the last 16 matches, and six of the last eight points, he settled on what John Cook and Chip Beck had done for him Saturday afternoon...

Each team received a half-point Sunday morning when Sam Torrance was forced to withdraw with an infected toe. In response, Lanny Wadkins, a wild-card selection by American captain Tom Watson...

Miami Survives Late Colorado Charge

Compiled by Our Staff From Dispatches No. 3 Miami survived a late 14-point charge by No. 13 Colorado to tie its third straight victory...

The result left both teams at 2-1 but gave the Dolphins the early advantage in the head-to-head series, the first tie-breaker in deciding the division winner at season's end...

COLLEGE FOOTBALL

field, and it took several minutes for officials to restore order. The melee began after a Miami kickoff sailed through the end zone with 20 seconds left in the half...

Fists flew, and two players — Kevin Patrick of Miami and Gerald Anzor of Colorado — wrestled in the end zone, forcing Colorado cheerleaders to scurry to safety...

No. 10 Oklahoma 41, Tulsa 20: In Norman, Oklahoma, Cale Gundy threw three touchdown passes and the Sooners (3-0) used a blocked punt and a fumble recovery late in the game to pull away from a 20-20 tie...

No. 11 Tennessee 42, LSU 20: In Knoxville, Tennessee, Heath Shuler threw three touchdown passes and his brother Benji caught one as Tennessee (3-1, 2-1 SEC) easily beat the Tigers (1-3, 1-2)...

No. 12 Syracuse 24, Cincinnati 21: In Syracuse, New York, the Orangemen (3-0-1) rallied with two touchdowns, a field goal and three...

No. 13 Colorado 31, Miami 27: In Boulder, Colorado, at least a half-dozen fights broke out as players from both sides stormed onto the field...

No. 14 Penn State 31, Rutgers 7: In State College, Pennsylvania, Kerry Collins completed 18 of 25 passes for 222 yards and four touchdowns as the Nittany Lions (4-0) dominated the Scarlet Knights (2-1)...

No. 15 Arizona 33, Oregon St. 0: In Corvallis, Oregon, the Wildcats' (4-0) defense never let Oregon State (1-3, 0-2 Pac-10) past the Arizona 35, and held the Beavers to 62 yards rushing...

No. 16 Washington 35, East Carolina 0: In Seattle, Napoleon Kaufman ran for 142 yards and two touchdowns and the Huskies' (2-1) defense forced five turnovers...

No. 17 Purdue 9, West Lafayette, Indiana, defensive and Brian Hamilton returned a fumble 28 yards for a touchdown in the third quarter, and the Irish (4-0) scored 10 points in the final four minutes...

No. 18 North Carolina 35, No. 19 N.C. State 14: In Raleigh, North Carolina, the Tar Heels (4-1, 2-1 ACC) came back from a lopsided loss to Florida State and beat the Wolfpack (2-1, 1-1). The first half ended with a fight between the players, and two assistant coaches got into a scuffle after the game...

No. 20 California 46, San Jose State 13: In Berkeley, California, Lindsey Chapman scored twice and Dave Barr was 23-for-28 for 242 yards for Cal (4-0). The Spartans dropped to 0-4...

No. 21 BYU 30, Air Force 3: In Provo, Utah, Eric Drage caught 12 passes for 213 yards and two touchdowns to break two school receiving records. John Walsh had three touchdown passes for BYU (4-0, 3-0 WAC)...

No. 22 Virginia 35, Duke 0: In Charlottesville, Virginia, the Cavaliers (4-0, 3-0 ACC) got their 500th victory in their 1,000th game and...

No. 23 Wisconsin 27, Indiana 15: In Bloomington, Indiana, Brent Moss rushed for 198 yards and Terrell Fletcher had 99 for the Badgers (4-0, 1-0 Big Ten)...

No. 24 Louisville 41, Texas 10: In Louisville, Kentucky, Ralph Dawkins rushed for 117 yards and caught three passes for 95 yards and a touchdown for the Cardinals (4-0). Texas fell to 0-2-1...

No. 25 Auburn 35, Southern Mississippi 24: Southern Miss (1-2) stunned the Auburn crowd by scoring three times in the first nine minutes of the third quarter to go ahead 24-21, but Auburn (4-0) rallied for the victory. (AP, UPI)

SIDELINES

Marseille Pins Violence on Referee

PARIS (Combined Dispatches) — Marseille soccer team officials blasted the referee over the weekend after disputed calls during a game Friday angered fans, who flooded the field and clashed with the police...

14 Yachts Open the Whitbread Race

SOUTHAMPTON, England (Combined Dispatches) — Fourteen yachts from 11 countries set off Saturday on the annual Whitbread Round the World Race, hoping to complete the voyage in nine months...

Keating Beats the Republican Drum

CANBERRA (Reuters) — Prime Minister Paul Keating said Sunday that Sydney's successful bid for the 2000 Olympics would spur Australia's movement to become a republic...

For the Record

Boris Becker of Germany, defending champion and top seed, pulled out of the Basel indoor tennis tournament because of a foot injury. He will be replaced by his compatriot Michael Stich, and Stefan Edberg will be the top seed. The tournament starts Tuesday. (Reuters)

Giovanni Parisi of Italy won the World Boxing Organization lightweight title Saturday when he outpointed Antonio Suarez Rivera of Puerto Rico. (Reuters)

Rolando Bobel, a former IBF bantamweight champion, has been arrested in the Philippines on a rape charge. The complaint was filed by a 16-year-old girl who claimed Bobel raped her last year. (AP)

Hector Morales, coach of Ecuador's top soccer club, was stabbed to death when he tried to prevent thieves from stealing his car. (AP)

Advertisement for TAG Heuer watches. Features a large image of a watch face and the text: DON'T CRACK UNDER PRESSURE. OFFICIAL TIMEKEEPER OF THE FORMULA 1 WORLD CHAMPIONSHIP. TAG Heuer SWISS MADE SINCE 1860.

Vertical text on the left margin: ED BRIEFS, in London's East, Back Kohl Profes, ets Offer to Stand, Is a First for Bay, THE UPDAR, in Western, small World.

LANGUAGE

From Red Tape to Regospeak

By William Safire

WASHINGTON—REGO—a word formed from the first syllables of "reinventing government," the title of a 1992 book by David Osborne and Ted Gaebler—burst on the U.S. scene this month, propelled by a photo of the president and vice president denouncing government waste and standing in front of forklift trucks holding obfuscatory regulations.

inconsistent about capitalizing Congressional in "Congressional appropriations" and "congressional budgets" (I say keep it lowercase in general references and this strange style manual agrees with me), and he spells his own regime both up and down: better to stick with the Clinton Administration.

The REGO report (not to be confused with MEGO, an acronym for "my eyes glaze over") was written and edited by gnomes determined to reinvent grammar and usage.

A favorite Regospeak word emerges: "Hamstrung by rules and regulations..." "Fifth, we will eliminate thousands of other regulations that hamstring federal employees..." "O.M.B. will simplify the appointment process, which hamstrings agencies..."

In the reinvented language, modifiers are placed by whim. In the intensive, 6-month study of the federal government that you requested, it was the study, not the "federal government," that was requested; that phrase would have benefited (one I) from recasting (no hyphen).

The report could save space, time and—in my projection, assuming no change in interest rates—12 billion commas during the biennium's next off year by simply doing away with the serial comma, which is the comma in a series before a conjunction. The time is ripe for a comma cap. By taking Regospeak's fraud, waste, and abuse—with its unnecessary comma after the second word—and reforming it to fraud, waste and abuse, we could release a huge pile of commas for shipment to hamstring grammars abroad.

"Make it a felony," he urges, "to knowingly lie on an application for benefits under the federal Employees' Compensation Act and amend Federal law." Pick one and stick to it. Al, especially in the same sentence. He's

inconsistent. Care is of two minds about capitalizing federal: "Make it a felony," he urges, "to knowingly lie on an application for benefits under the federal Employees' Compensation Act and amend Federal law." Pick one and stick to it. Al, especially in the same sentence. He's

The Folies Bergère's Empress of the Night

PARIS—After many curtain calls at the premiere of the new Folies Bergère revue, Alfredo Arias, the director, stepped in front of the traditional Folies Bergère staircase, surrounded by his vividly dressed cast and by eight performing poodles, some of which had agreed to jump through a hoop, and told the audience, "When people ask what is the maddest and most marvelous thing that has happened to me, it is my meeting with Madame Martini."



Héléne Martini: "I chat, I chat a lot. That's my system."

Everyone knows the Folies, as much a Paris institution as its eponym the Eiffel Tower which has been known to appear in an ostrich plume replica on top of showgirls' heads. And many people have heard of Arias, the Argentinian showman whose productions have ranged from an adaptation of Henry James to a revue called "Luxe." Who is Madame Martini?

Héléne Martini, owner of the Folies since 1974, is known as the Empress of the Night because she owns a handful of Pigalle clubs as well as the Shéhérazade, where gypsy strings wailed for decades, and the Raspoutine off the Champs-Élysées with a Russian décor by Erté.

The Empress, now in her late 60s, is tightly chignonned and rather prim, creamily conversational although while talking she unconsciously clenches and releases her left fist. Her motto, she says, is never surrender.

"There is no mystery about me," she says. "I go out very little. I work and I love the countryside so there's nothing much to say." Each night from 9 P.M. to 4 A.M. she tours her clubs, drinking only tea. Afternoons she is in her Folies office. She lives alone in a Pigalle flat decorated by Erté and surveys the street through binoculars.

her father was taken away by the Germans and when Héléne tried to find him she was also sent to a camp and later imprisoned by the Russians as well. She never saw her parents again.

After the war, she went to France where she found a job as a draftsman. "I draw not too badly but hundreds of people draw better. I can do everything—if you tell me I have to make yogurts I'll make yogurts, if I have to sweep I'll sweep. If dresses must be sewn I'll sew, more or less well. But I'll do something, that's for sure." She likes to say that a cat backed against a wall can become a tiger.

She found a job as a Folies Bergère showgirl, nude because she wasn't tall enough to be clothed. "You had to be at least 1 meter 80 and I am only 1.69."

bought a nightclub shortly before meeting his future wife.

"He was looking for something to do. He went out a lot and one night a maître d'hôtel said, 'Monsieur Martini, since you go out all the time why don't you buy your own cabaret?'" His wife went into his rapidly expanding business with him.

"He was very honest and saw only good everywhere and everyone was robbing him blind. I took over because I had seen a thing or two." When Martini died during a slimming cure in 1960, his widow became the Empress of the Night. Although it wasn't easy, she says that after years in German and Russian camps she wasn't about to be pushed around. Also she is a night person.

"The night brings security. It's like thunderstorms. They calm me. Why? Because in the war if there were storms you knew there would be no bombing raids."

When she expanded her empire by buying the Folies in 1974 its feathers were already bedraggled but it was still coasting on its reputation as the symbol of Gay Paree whose past stars included Maurice Chevalier, Mistinguett, Little Tich, Yves Guilbert, La Belle Otero, Lolo Fuller, Les Barron's Sisters and Josephine Baker.

Weekends she goes to her country house near Paris where, as in her Pigalle flat, she carries a cache of canned foods and other staples. "In the country I have a little motorbike with a full gas tank as well. The war marks one, you know."

WEATHER

Table with weather forecasts for Europe, Asia, Africa, and Oceania, including high/low temperatures and precipitation chances.

WEATHER

Table with weather forecasts for North America, Europe, Asia, and Latin America, including high/low temperatures and precipitation chances.

CROSSWORD

Crossword puzzle grid with clues for Across and Down words.

CROSSWORD

Solution to the crossword puzzle from Sept. 24, showing the filled-in grid.

Large advertisement for AT&T Access Numbers. Text: "I wonder if the little guy had fun today?" Includes AT&T logo and contact information.

AT&T Access Numbers advertisement. Table listing international access numbers for various countries like ANDORRA, ARMENIA, AUSTRIA, etc.

Sharing the day's events with loved ones back in the States has never been easier. Whenever you're away, simply dial the AT&T access number of the country you're calling from and an English-speaking AT&T Operator or voice prompt will put you through in seconds.

AT&T logo and additional contact information for international calling services.